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MICHELIN PENSION & LIFE ASSURANCE PLAN - IMPLEMENTATION STATEMENT

FOR THE YEAR ENDING 31 MARCH 2026

*FOR MEMBERS OF THE **DC SECTION** OF
THE MICHELIN PENSION AND LIFE ASSURANCE PLAN*

WELCOME

Welcome to the Trustee's Statement of how they implemented the policies and practices in the Plan's Defined Contribution Statement of Investment Principles during the year from 1 April 2025 and ending on 31 March 2026.

WHY DO THE PLAN'S INVESTMENTS MATTER TO ME?

The Defined Contribution (DC) Plan provides you with benefits on a DC basis (sometimes called money purchase benefits). This means that the size of the benefits paid to you when you retire will depend on how much the funds where your savings are invested grow over the years.

WHAT IS THE STATEMENT OF INVESTMENT PRINCIPLES ('SIP')?

The SIP sets out the investment principles and practices the Trustee follows when governing the Plan's investments. It describes the rationale for the investment options which you can choose (including the default arrangement if you don't make a choice), explains the risks and expected returns of the funds used and outlines the Trustee's approach to responsible investing (including climate change).

The last review of the Plan's SIP was completed on 11th September 2024 and remains unchanged over the reporting period. The next review is anticipated to be undertaken outside of the reporting period in Q4 2026, as part of the Trustee's review of the Plan's DC investment strategy. The review process will entail the Trustee considering the contents of the SIP in conjunction with its investment advisers. Any material changes will be reviewed by the Trustee's legal advisers, and any revisions of the SIP must be signed off by a representative of the Company.



If you want to find out more, you can find a copy of the Plan's SIP (and the Plan's Chair's Statement) at:

pensions.michelin.co.uk/library

WHAT IS THIS IMPLEMENTATION STATEMENT FOR?

Since 2020 the Trustee is required to prepare an Implementation Statement, which sets out how it has complied with the Plan's SIP (both before and after revisions were made during the year) relating to DC benefits during the last year.

A copy of this Implementation Statement is available on the Plan's website:
pensions.michelin.co.uk/library



Overall, as explained in more detail below, the Trustee is satisfied that:

- The Plan's DC investments have been managed in accordance with the SIP; and
- The provisions in the SIP have been followed and remain suitable for the Plan's DC members.

HOW THE PLAN'S INVESTMENTS ARE GOVERNED

The Trustee has overall responsibility for the way in which the Plan's investments are governed and managed in accordance with the Plan's Trust Deed and Rules as well as Trust Law, Pensions Law and Pension Regulations.

The Trustee has delegated day-to-day investment decisions, such as which investments to buy and sell, to the platform provider and ultimately the Plan's investment managers.

The Trustee undertook various training sessions during the last year to ensure that their knowledge of investment matters remained up to date, details can be found in the 'Trustee Training' section of the Chair's Statement via the Plan's online document library (as referenced above).

The Trustee monitors how well its investment adviser meets its agreed objectives annually. Should the Trustee find that the investment adviser is not meeting these agreed objectives, it would work with the adviser to establish why and would expect the adviser to set out a plan for improvement.

During the year, the investment adviser adopted formal objectives with the Trustee to:

- Deliver an investment approach for the default arrangement that maximises long-term, risk-adjusted real returns for members when they are far from retirement and delivers protection against market falls when members are closer to retirement.
- Match investment strategies in the pre-retirement phase to what members are expected to do at the point of retirement. Note that the concept of risk changes throughout a member's career.
- Provide advice in relation to the self-select range that incorporates sufficient choice for members to meet their own needs in terms of investment return, investment risk and retirement choices, reflecting member feedback where relevant.
- Ensure the self-select fund range remains appropriate for members over time and propose changes on a timely basis where appropriate in relation to the addition or removal of funds.
- When closing funds, provide advice in a timely manner to ensure members' costs of moving to an alternative arrangement are minimised.
- Ensure the Trustee is made aware of situations where inadvertent defaults are created and how to manage such situations.

- Deliver cost efficiency within the existing strategy and in relation to implementation of new strategies as required.
- Provide relevant and timely advice, allowing the Trustee to access new investment opportunities as appropriate and consider climate and wider Environmental, Social and Governance (ESG) issues.
- Develop the Trustee's knowledge and understanding of investment matters.
- Develop the Trustee's knowledge and understanding on ESG / climate risk considerations and incorporate this into the Trustee training plan.
- Provide services to support the Trustee's ongoing governance which shall be proportionate and competitive in terms of costs relative to the adviser's peer group.
- Ensure advice complies with relevant pensions regulations, legislation and supporting guidance.
- Deliver papers which are accurate and in line with appropriate deadlines.
- Ensure advice takes into consideration the potential impact of climate risks and opportunities on outcomes for different cohorts of members. Support the Trustee where opportunities to improve outcomes have been identified.



The Trustee is satisfied that during the last year:

- The Plan's DC investment governance structure was appropriate;
- The Trustee maintained and improved its understanding of investment matters;

HOW THE DEFAULT ARRANGEMENT AND OTHER INVESTMENT OPTIONS ARE MANAGED

The objectives and rationale are set out in the SIP (which is also in Appendix 1 of the Plan's Chair's Statement) on pages 3 and 4 for the default arrangement and for the other investment options on pages 7 and 8.

The Trustee's triennial investment review of the default arrangement and other investment options completed on 16th November 2023, with the Trustee concluding that the default arrangement remains strategically suitable for members. The next review will be completed during the next reporting period.

MONITORING OF THE DEFAULT ARRANGEMENTS

As part of its ongoing monitoring of the Michelin Journey Plan funds, the Trustee reviewed performance both against each fund's objective and the wider provider default market.

The Trustee observed that shorter-term performance for the Journey Plan funds was showing signs of improvement over the reporting period. With rolling one-year returns delivering on objective and aligning with the mid-market of UK providers' default options. Longer-term, rolling three- and five-year returns were still mixed following the prior period of underperformance, however, the Trustee is comforted that the strategic changes made by L&G appear to be feeding through into improving returns. The Trustee will continue to monitor this closely to ascertain whether this trajectory of improving returns can translate into improved longer-term performance.

The Plan also has an "inadvertent" default arrangement, the Michelin Money Market Fund, which became an inadvertent default arrangement due to the suspension (i.e. no contributions could be invested, and no funds could be withdrawn) of the Threadneedle Property Fund in March 2020.

The Trustee is satisfied that this fund has performed in line with its object over the period.

MONITORING OF THE SELF-SELECT FUND OPTIONS

The Trustee also considered the performance of the self-select funds at each quarterly meeting. The Trustee noted that the passively managed options all largely performed in line with benchmark within permissible tolerances, with L&G remaining highly rated as a passive investment manager by the Trustee's advisers.

Performance of the active funds was generally positive with some significant volatility recorded over the period for Active Global Equity Fund. The Trustee kept this under close review and will continue its ongoing suitability as part of its in depth self-select fund range review in Q2 2026.

THE TRUSTEE'S INVESTMENT BELIEFS

The Trustee has developed a set of investment beliefs which are set out in the appendix of the Plan's Investment Operation Document which it uses as a guide when making investment decisions. The Trustee reviewed these beliefs with its investment adviser in Q1 2026 and plans to refine these further as part of its strategic investment review during 2026.



During the year, there were no changes to the Trustee's investment beliefs, but these are under active review.

THE EXPECTED RISKS AND RETURNS ON YOUR SAVINGS IN THE DC PLAN

The investment risks relating to members' benefits and the expected returns from each type of investment used by the Plan are described in the SIP.



The Trustee believes that the main investment risks members face described in the SIP have not changed materially over the last year.

The Trustee is satisfied that the current expected rates of investment return for the types of funds described in the SIP are still reasonable relative to the risks that members face.

The Trustee's views on the expected levels of investment risks and returns inform decisions on the strategic asset allocation (i.e. what types of assets and areas of the world the Plan invests in over the longer-term) for the Plan's Target Date Fund option (which gradually changes the funds in which your savings are invested as you approach your selected retirement date).



The Trustee's views on the long-term mix of investments for the Plan's default arrangement did not change during the last year.

PLATFORM PROVIDERS AND FUND MANAGERS

Choice of platform providers and funds

The Trustee monitors the service of the investment platform provider (L&G) used by the Plan by:

- Receiving quarterly investment reporting; and
- Reviewing annual audit and assurance reporting from the provider.
- Carrying out a three-yearly independent review of the ongoing appropriateness of the platform provider.

The Trustee monitors the performance of the funds used by the Plan on a quarterly basis with input from the Plan's DC investment adviser.

There have been no changes to the investment platform provider or fund manager during the reporting period.



The Trustee is satisfied that the investment platform provider and fund managers used by the Plan remain appropriate but will continue to closely monitor the performance of the Journey Plan funds.

Ability to invest / disinvest promptly

It's important that your contributions can be invested promptly in the default arrangement or the investment options you have chosen and that your investments can be sold promptly when you want to change where they are invested, transfer your pension pot to another Plan or when your benefits are due to be paid out when you retire.

The Trustee ensures this happens by selecting pooled investments funds which can be dealt daily.



The Trustee is satisfied that money can be invested in and taken out of the Plan's funds as appropriate as set out in the SIP.

Changes in where funds are invested

Transaction costs are one aspect which the Trustee's investment adviser considers when reviewing the ongoing suitability of the funds offered to our members.

Short-term changes in the level of turnover of the assets in which a fund is invested may be expected when a fund manager alters its investment strategy in response to changing market conditions. However, a change in the level of portfolio turnover might indicate a shift in the amount of risk the fund manager is taking, which could mean that a fund is less likely to meet the objectives for which it was chosen by the Trustee. The Trustee has reviewed transaction cost information for the year against the Plan's peers and is satisfied that based on this information, the level of trading of the funds' assets carried out by the fund managers has been appropriate.

Security of your savings in the Plan

In addition to the normal investment risks faced through investing in the funds used by the Plan, the security of your savings in the Plan will depend upon:

- The financial strength of the investment platform provider used by the Plan.
- The financial strength and risk management framework of the fund managers used by the investment platform; and
- The legal structure of the funds the Plan invests in.

The financial strength of the platform provider and the fund managers has a bearing on the risk of potential losses to the Plan's members caused by the remote chance of one of these institutions getting into financial difficulties. The legal structure of the funds used has a bearing on the degree to which the funds' assets are "ring-fenced" from the rest of the provider's or fund managers' business in the unlikely event that the provider or manager becomes insolvent. The Trustee keeps this position under periodic review.



There have been no changes to the structure of the funds used by the Plan during the last year. The Trustee is not aware of any material changes in the financial strength of the investment platform provider or the fund managers used by the platform in the last year and is satisfied that the current structure of funds is appropriate for our members.

CONFLICTS OF INTEREST

As described in the SIP, the Trustee considers potential conflicts of interest:

- When choosing fund managers.
- When monitoring the fund managers' investment performance and the fund managers' approaches to investment stewardship and responsible investing; and
- When the fund manager is making decisions on where each fund is invested.

The Trustee expects the fund managers to invest the Plan's assets in the members' best interests. As the funds used by the Plan are held at arms-length from the Trustee via an investment platform, the Trustee liaises with the platform provider to receive reports on its own investment governance of funds including conflicts of interest policy.



The Trustee is satisfied that there have been no material conflicts of interest during the year which might affect members' benefit expectations.

MANAGER INCENTIVES

As described in the SIP, the Trustee seeks to ensure that the fund managers are suitably incentivised to deliver investment performance in keeping with the funds' objectives.

The funds used by the Plan are held at arms-length from the Trustee via an investment platform and the Trustee recognises that no fund the Plan invests in is managed on a performance related basis. Therefore, the Trustee believes that the remuneration structure of managers is appropriate.

The Trustee conducts an annual Value for Members assessment and will take action should the provider or fund managers be found to be giving poor value.

There are no performance fees in place for any of the funds offered to members.



The Trustee is satisfied that the fund managers are suitably incentivised to deliver good outcomes for the Plan's members.

RESPONSIBLE INVESTMENT

The Trustee believes that responsible investing covers both sustainable investment and effective stewardship of the assets the Plan invests in. The current default arrangement, where the majority of the Plan's assets are invested, the L&G Journey Plan 2 fund series (which includes several ESG funds).

Sustainable Investment

The Trustee believes that investing sustainably is important to control the risks that environmental factors (including climate change), social factors (such as the use of child labour) and corporate governance behaviour (e.g. how well companies are run) - called "ESG" (Environmental, Social and Governance) factors - can have on the value of the Plan's investments and in turn the size of your retirement benefits.

The Trustee has considered the length of time members' contributions are invested in the Plan when choosing and reviewing the funds used in the investment options. The Plan potentially has members joining from age 19 who could therefore have savings invested for over 45 years.

The Trustee periodically reviews the platform provider's and fund managers' approaches to ESG including their voting records and stories of engagement with investee companies. The Trustee focuses more on those funds and managers with most member money invested.



The Trustee is satisfied that during the last year the Plan's investments were invested in accordance with the policies on sustainable investing set out in the SIP.

Investment stewardship

As described on page 16 of the SIP, the Trustee believes it is important that the fund managers as shareholders or company bond holders take an active role in the supervision of the companies in which they invest, both by voting at shareholder meetings and engaging with the management on major issues which affect a company's financial performance (and in turn the value of the Plan's investments). The Plan's voting activity will arise within public equity fund investments.

As the Plan's investments are held at arms-length from the Trustee and members through an investment platform operated by L&G, the Trustee is not able to instruct the fund managers how to vote on shareholder issues. The Trustee nevertheless:

- Chooses fund managers whose voting policy are consistent with the Plan's objectives.
- Expects fund managers to vote in a way which enhances the value of the funds in which the Plan invests.
- Monitors how the fund managers exercise their voting rights.

How does the Trustee monitor this?

The Trustee periodically reviews the platform provider's and fund managers approaches to stewardship including voting and engagement policies.

The Trustee has in place Stewardship Priorities which it has shared with all the fund managers. On an annual basis the Trustee liaises with the fund managers with regards to these priorities. The Trustee asks specific questions on how they have voted at shareholder meetings and what topics fund managers have discussed with the companies (in line with these priorities) in which they invest.

During 2025 L&G voted on over 148,000 resolutions and engaged directly with 3,201 companies worldwide. L&G's policy remains to keep abstentions to a minimum and it utilises proxy advisory firm, Institutional Shareholder Services' (ISS) Proxy Exchange voting platform to vote electronically and to ensure, in markets where it has unimpeded voting rights, that no votes remain unexercised.

L&G implements a custom voting policy, which requires companies, among other things, to have a higher level of independence and diversity on the board, or to provide more in-depth disclosure regarding executive compensation.

During 2025, L&G had three overarching 'super themes' for engagement mentioned in the Active Ownership Report:

Super theme	Examples of engagement focus
Climate & Nature	Net zero transition, methane emissions, deforestation, biodiversity, nature-related disclosures, Climate Impact Pledge (CIP).
Social resilience	Living wage, workforce practices, healthcare, education, water access, social infrastructure and broader social outcomes.
Corporate Governance	Board independence, shareholder rights, governance standards, executive accountability and governance reform.

The Investment Stewardship team engaged 3,761 times with companies during 2025. The top five engagement topics over 2024, were Climate change (2,703), Deforestation (1,202), Remuneration (168) Strategy (105) and Climate Mitigation (80).

The environment was once again the team's top theme for engagement in 2025. North America was the biggest engagement market (1,453) after Asia (992) and Europe (518).

The funds with voting rights attached that are available to members as part of the default fund range or the self-select fund range are listed below along with summary voting statistics for each fund.

Default Funds

- L&G Journey Plan 4 2025-30 (DBDJ)
- L&G Journey Plan 4 2020-25 (DBDH)
- L&G Journey Plan 2 2060-65 (DBDF)
- L&G Journey Plan 2 2055-60 (DBDE)
- L&G Journey Plan 2 2050-55 (DBDD)
- L&G Journey Plan 2 2045-50 (DBDC)
- L&G Journey Plan 2 2040-45 (DBDB)
- L&G Journey Plan 2 2035-40 (DBDA)
- L&G Journey Plan 2 2030-35 (DBCZ)
- L&G Journey Plan 2 2025-30 (BCY)
- L&G Journey Plan 2 2020-25 (BCX)
- L&G Journey Plan 2 2015-20 (BCW)

Self-Select Funds

- Michelin Global Equities Fund – passive fund
- L&G Ethical Global Equity Index (DP) (DAXM)
- L&G UK Equity Index (N) (DAXB)

	L&G Journey Plan 4 2025-30 (DBDJ)	L&G Journey Plan 4 2020-25 (DBDH)	L&G Journey Plan 2 2060-65 (DBDF)
No. of resolutions eligible to vote	106,979	106,979	104,018
% resolutions voted	99.91%	99.91%	99.90%
% resolutions abstained, did not vote etc.	1.01%	1.01%	0.80%
Of the resolutions voted, the % voted with management	75.59%	75.59%	75.39%
Of the resolutions voted, the % against management	23.40%	23.40%	23.81%

Source: L&G

Default Funds				
	L&G Journey Plan 2 2055-60 (DBDE)	L&G Journey Plan 2 2050-55 (DBDD)	L&G Journey Plan 2 2045-50 (DBDC)	L&G Journey Plan 2 2040-45 (DBDB)
No. of resolutions eligible to vote	104,018	104,018	104,018	104,018
% resolutions voted	99.90%	99.90%	99.90%	99.90%
% resolutions abstained, did not vote etc.	0.80%	0.80%	0.80%	0.80%
Of the resolutions voted, the % voted with management	75.39%	75.39%	75.39%	75.39%
Of the resolutions voted, the % against management	23.81%	23.81%	23.81%	23.81%

Source: L&G

Default Funds					
	L&G Journey Plan 2 2035-40 (DBDA)	L&G Journey Plan 2 2030-35 (DBCZ)	L&G Journey Plan 2 2025-30 (BCY)	L&G Journey Plan 2 2020-25 (BCX)	L&G Journey Plan 2 2015-20 (BCW)
No. of resolutions eligible to vote	104,003	110,613	110,613	110,613	110,244
% resolutions voted	99.90%	99.91%	99.91%	99.91%	99.91%
% resolutions abstained, did not vote etc.	0.80%	0.88%	0.88%	0.88%	0.88%
Of the resolutions voted, the % voted with management	75.39%	75.72%	75.72%	75.72%	75.76%
Of the resolutions voted, the % against management	23.81%	23.40%	23.40%	23.40%	23.36%

Source: L&G

Self-Select Funds				
	L&G Global Equity Market Weights 30/70 Index Fund – 75% GBP Currency Hedged (VW) (45%) (DAWY)	L&G Ethical Global Equity Fund (DP) (DAXM)	L&G UK Equity Index (N) (DAXB)	Newton Global Equity Fund
No. of resolutions eligible to vote	76,363	17,338	10,081	946
% resolutions voted	99.96%	99.97%	100.0%	100.0%
% resolutions abstained, did not vote etc.	1.43%	0.35%	0.02%	0.00%
Of the resolutions voted, the % voted with management	79.48%	82.43%	93.90%	93.44%
Of the resolutions voted, the % against management	19.09%	17.22%	6.08%	6.56%

Source: Investment Managers

Self-Select Funds - Continued			
	Schroder Sustainable Future Multi Asset Fund (DFLE)	Schroder Emerging Markets Fund (DAXG)	HSBC Islamic Global Equity Fund (DAXL)
No. of resolutions eligible to vote	11,752	1,961	1,645
% resolutions voted	97.73%	98.52%	95%
% resolutions abstained, did not vote etc.	0.12%	0.21%	0%
Of the resolutions voted, the % voted with management	89.36%	93.37%	84%
Of the resolutions voted, the % against management	10.64%	6.63%	15%

Source: Investment Managers (Note HSBC numbers are rounded by manager)

The Trustee considers how the fund managers voted on specific issues, in line with the Trustee's Stewardship Priorities, which are:

- Human Rights
- Climate Change
- Business Ethics

These areas were agreed because effective stewardship is expected to contribute positively towards shareholder value and addressing real world challenges and expected to be of interest to members.

The Trustee considers 'significant votes' to be either companies with relatively large weightings in the funds members invest in, or where there were shareholder issues that aligned with the priorities we identified at the start of the year.

The most significant shareholder votes and how the fund managers voted during the last year were:



COMPANY	RESOLUTION	PRIORITY	OUTCOME	COMMENT
MICROSOFT CORPORATION	05-Dec-25 Elect Director Satya Nadella	Board leadership - Useful example of escalation on combined Chair/ CEO roles, with L&G noting risk management and oversight concerns.	Against	L&G voted against the re-election of Satya Nadella due to concerns over the combined Chair and CEO structure. The vote was identified as significant under L&G's Board Leadership theme, reflecting its policy of escalating opposition where companies continue to combine these key governance roles. Although the resolution passed with 94% support, L&G considers separation of the Chair and CEO positions important for effective oversight, risk management and board independence, and intends to continue engaging with the company on this issue.
PALO ALTO NETWORKS, INC.	09-Dec-25 Declassify the Board of Directors	Board structure - Useful high-support governance example, with L&G supporting annual director elections through a declassified board.	For	L&G voted for this shareholder resolution as it considered it significant due to the relatively high level of support received. Shareholder Resolution - Board structure: A vote in favour is applied as L&G supports a declassified board as directors should stand for re-election on an annual basis. L&G will continue to engage with investee companies, publicly advocate its position on this issue and monitor company and market-level progress.
SHELL PLC	20-May-25 Disclose whether LNG strategy and capex are consistent with climate commitments	Climate / energy transition - Useful high-profile climate vote, with L&G noting engagement with Shell and commitments to improve LNG-related stranded asset and financial resilience disclosures.	Against	L&G voted against a shareholder climate proposal requesting additional disclosure on LNG demand forecasts, investment plans and alignment with climate commitments. The manager recognised the objective of the proposal but concluded that recent engagement with Shell had secured commitments to improve climate-related disclosures, particularly around stranded asset risks and financial resilience. The vote was therefore viewed as significant because it reflected active engagement outcomes rather than a simple opposition to climate-related reporting.
MASTERCARD INCORPORATED	24-Jun-25 Oversee and Report on a Racial Equity Audit	Diversity / social risk - Useful DEI or social-risk example, supporting further information and risk management around diversity.	For	L&G supported a shareholder proposal requesting oversight and reporting on a racial equity audit. The manager believes greater transparency around diversity and social risk management can improve governance and long-term performance. The proposal did not pass, but L&G views diversity and inclusion as financially material issues and will continue engagement and advocacy in this area.
CITIGROUP INC.	29-Apr-25 Submit Severance Agreement Change-in-Control to Shareholder Vote	Remuneration - Clear remuneration governance example, focused on safeguards against excessive "pay for failure" outcomes.	For	L&G supported a shareholder proposal requiring certain severance arrangements linked to changes in control to be put to a shareholder vote. The manager believed existing arrangements lacked sufficient transparency and safeguards for shareholders. The vote was considered significant because it attracted notable shareholder support and relates directly to executive remuneration accountability and the prevention of excessive pay-for-failure outcomes.

COMPANY	RESOLUTION	PRIORITY	OUTCOME	COMMENT
HEWLETT PACKARD ENTERPRISE CO	04-Feb-25 Shareholder Proposal Regarding Reviewing Political Spending or Lobbying	Business Ethics and transparency - significant vote focused on disclosure of lobbying activities, political expenditure and board oversight of public policy engagement, helping shareholders assess reputational, regulatory and governance risks.	For	Schroders supported the proposal because additional disclosure of lobbying activities, related expenditure and board oversight would help shareholders assess regulatory, legal and reputational risks associated with the company's participation in the public policy process.
PRUDENTIAL FINANCIAL INC.	13-May-2025 Shareholder Proposal Regarding Separation of Chair and CEO	Corporate governance and board effectiveness - governance-focussed proposal promoting independent oversight through separation of leadership responsibilities between the Chair and CEO roles.	For	Schroders supported the proposal because it believes an independent Chair provides stronger oversight and governance, supporting long-term shareholder value.
HO CHI MINH CITY DEVELOPMENT JOINT STOCK COMMERCIAL BANK	01-Dec-2025 Issuance of Shares / Increase in Authorised Capital	Capital management and shareholder protection - a significant vote relating to the potential dilution of existing shareholders through a proposed capital issuance.	Against	Schroders opposed the proposal due to concerns that the share issuance was being undertaken at an excessive discount, potentially diluting existing shareholders.

NEWTON INVESTMENT MANAGEMENT LIMITED

COMPANY	RESOLUTION	PRIORITY	OUTCOME	COMMENT
NETFLIX INC.	05-Jun-25 Elect Director Jay C. Hoag	Newton considered the vote significant because the director's election was rejected by shareholders, although the board may still decide to retain the director.	Against	Newton voted against the incumbent Nominating Committee Chair because the relevant committee had more than 50% long-tenured directors, defined as directors serving for more than 12 years. Newton also noted concerns regarding the director's attendance at board and committee meetings, which fell below 75% without a compelling justification.
THE GOLDMAN SACHS GROUP, INC.	23-Apr-2025 Report on Clean Energy Supply Financing Ratio	Newton considered the vote significant because it aligned with its longer-term engagement and voting activity with the bank. It also considered support for the proposal noteworthy in the current context.	For	Newton supported the shareholder proposal because it considered the request to be aligned with the company's sustainable financing activities and helpful for shareholders in assessing the company's progress on climate risks, opportunities and decarbonisation targets.

Source: L&G, Schroders, HSBC and Newton Investment Management Limited

The Trustee reviews managers’ voting policies on an annual basis. The next review will be conducted during the next reporting period and as part of this exercise, the Trustee will challenge the managers’ voting activity and ensure this aligns with its Stewardship Priorities.

How do fund managers implement their votes?

The managers often make use of proxy voting to inform their decision making. The managers use the following organisations as proxies for their voting activity:

MANAGER	COMMENT ON APPROACH
L&G Use of proxy voting	L&G’s Investment Stewardship team uses ISS’s ‘Proxy Exchange’ electronic voting platform to electronically vote clients’ shares. All voting decisions are made by L&G, and we do not outsource any part of the strategic decisions. Our use of ISS recommendations is purely to augment our own research and proprietary ESG assessment tools. The Investment Stewardship team also uses the research reports of Institutional Voting Information Services (IVIS) to supplement the research reports that we receive from ISS for UK companies when making specific voting decisions. To ensure our proxy provider votes in accordance with our position on ESG, we have put in place a custom voting policy with specific voting instructions. These instructions apply to all markets globally and seek to uphold what we consider are minimum best practice standards which we believe all companies globally should observe, irrespective of local regulation or practice. We retain the ability in all markets to override any vote decisions, which are based on our custom voting policy. This may happen where engagement with a specific company has provided additional information (for example from direct engagement, or explanation in the annual report) that allows us to apply a qualitative overlay to our voting judgement. We have strict monitoring controls to ensure our votes are fully and effectively executed in accordance with our voting policies by our service provider. This includes a regular manual check of the votes input into the platform, and an electronic alert service to inform us of rejected votes which require further action.
Where you voted against management, did you communicate your intent to the company ahead of the vote?	L&G publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.

The Trustee is currently looking into setting up processes to obtain information on non-equity fund voting information.

The Trustee is satisfied that the fund managers’ voting record on the companies in which their funds invest was aligned with the stewardship policy described in the SIP.