

# *Implementation Statement, covering the period from 1 May 2024 to 30 April 2025 (the “Scheme Year”)*

The Trustee of the Essex International Limited Pension Scheme (the “Scheme”) is required to produce a yearly statement to set out how, and the extent to which, the Trustee has followed the voting and engagement policies in its Statement of Investment Principles (“SIP”) during the Scheme Year. This is provided in Section 1 below.

The Statement is also required to include a description of the voting behaviour during the Scheme Year by, and on behalf of, Trustees (including the most significant votes cast by Trustees or on their behalf) and state any use of the services of a proxy voter during that year. This is provided in Section 3 below.

In preparing the Statement, the Trustee has had regard to the [guidance](#) on Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement, issued by the Department for Work and Pensions (“DWP’s guidance”) in June 2022.

## **1. Introduction**

No changes were made to the voting and engagement policies in the SIP during the Scheme Year.

The Trustee has, in its opinion, followed the Scheme’s voting and engagement policies during the Scheme Year. The following sections provide detail and commentary about how and the extent to which it has done so.

## **2. Voting and engagement**

The Trustee has delegated to the investment managers the exercise of rights attaching to investments, including voting rights, and engagement. The investment managers voting and engagement policies were provided to the Trustee directly. However, the Trustee takes ownership of the Scheme’s stewardship by monitoring and engaging with managers as detailed below.

As part of its advice on the selection and ongoing review of the investment managers, the Scheme’s investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers’ approaches to voting and engagement.

The Trustee reviews LCP’s responsible investment (RI) scores for the Scheme’s existing funds from time to time. These scores cover the managers’ approach to ESG factors, voting and engagement. The fund scores are based on LCP’s ongoing manager research programme, and these, along with LCP’s qualitative RI assessments, directly affect LCP’s manager and fund recommendations.

LCP meets with the Scheme’s investment managers as part of its ongoing manager research programme, and provides regular updates to the Trustee on its funds and managers, an aspect of which often includes an update on managers’ responsible investment practices, in its annual investment monitoring report.

The Trustee is conscious that responsible investment, including voting and engagement, is rapidly evolving and therefore expects most managers will have areas where they could improve. Therefore, the Trustee aims to have an ongoing dialogue with managers to clarify expectations and encourage improvements.

## **3. Description of voting behaviour during the Scheme Year**

The Trustee has delegated to its investment managers the exercise of voting rights. Therefore, the Trustee is not able to direct how votes are exercised and the Trustee itself has not used proxy voting services over the Scheme Year. However, the Trustee monitors managers’ voting and engagement behaviour on an annual basis and challenges managers where their activity has not been in line with the Trustee’s expectations.

None of the investment funds that the Scheme was invested in during the Scheme Year held listed equities. In addition, the Scheme’s investment manager, L&G AM, has confirmed that, of the funds that don’t hold listed equities, there were no voting opportunities during the Scheme Year.

### **3.1 Description of the voting processes**

L&G AM's voting and engagement activities are driven by ESG professionals and their assessment of the requirements in these areas seeks to achieve the best outcome for all of its clients. Its voting policies are reviewed annually and take into account feedback from its clients.

Every year, L&G AM holds a stakeholder roundtable event where clients and other stakeholders (civil society, academia, the private sector and fellow investors) are invited to express their views directly to the members of the Investment Stewardship team. The views expressed by attendees during this event form a key consideration as L&G AM continues to develop its voting and engagement policies and define strategic priorities in the years ahead. L&G AM also takes into account client feedback received at regular meetings and/ or ad-hoc comments or enquiries.

All decisions are made by L&G AM's Investment Stewardship team and in accordance with L&G AM's relevant Corporate Governance & Responsible Investment and Conflicts of Interest policy documents which are reviewed annually. Each member of the team is allocated a specific sector globally so that the voting is undertaken by the same individuals who engage with the relevant company. This ensures L&G AM's stewardship approach flows smoothly throughout the engagement and voting process and that engagement is fully integrated into the vote decision process, therefore sending consistent messaging to companies.

L&G AM's Investment Stewardship team uses Institutional Shareholder Services' ("ISS") 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by L&G AM and it does not outsource any part of the strategic decisions. L&G AM's use of ISS recommendations is purely to augment its 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 it receives from ISS for UK companies when making specific voting decisions.

To ensure L&G AM's proxy provider votes in accordance with its position on ESG, it has put in place a custom voting policy with specific voting instructions. These instructions apply to all markets globally and seek to uphold what L&G AM considers are minimum best practice standards, which it believes all companies globally should observe, irrespective of local regulation or practice.

L&G AM retains the ability in all markets to override any vote decisions, which are based on its 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 L&G AM to apply a qualitative overlay to its voting judgement. L&G AM have strict monitoring controls to ensure its votes are fully and effectively executed in accordance with its voting policies by its service provider. This includes a regular manual check of the votes input into the platform, and an electronic alert service to inform L&G AM of rejected votes which require further action.

### **3.2 Summary of voting behaviour**

There were no voting opportunities during the Scheme Year.

### **3.3 Most significant votes**

There were no voting opportunities during the Scheme Year.

Approved by the Trustee of the Essex International Pension Scheme on 18 September 2025