

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

The Trustee of the Miller Retirement Benefits 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 and 2 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. Voting data was only available from L&G AM for the period 1 April 2024 to 31 March 2025.

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

The SIP was reviewed and update during the Scheme year in April 2025 to reflect the changes made to the Scheme’s investment strategy. The voting and engagement policies in the SIP were reviewed during the Scheme Year as part of this SIP update, however, no changes were made to these policies. As part of this SIP update, the employer was consulted and confirmed it was comfortable with the changes.

The Trustee has, in its opinion, followed the Scheme’s voting and engagement policies during the Scheme Year, by continuing to delegate to its investment managers the exercise of rights and engagement activities in relation to investments. However, the Trustee takes ownership of the Scheme’s stewardship by monitoring and engaging with managers as detailed below.

2. Voting and engagement

As stated in the SIP, the Trustee recognises its responsibilities as an owner of capital, and believes that good stewardship practices, including monitoring and engaging with investee companies, and exercising voting rights attaching to investments, protect and enhance the long-term value of investments. Since all of the Scheme’s equities are invested in pooled funds with L&G AM, the Trustee has delegated to L&G AM the exercise of rights attaching to the investments, including voting rights, and engagement.

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.

Additionally, the Trustee receives quarterly updates on ESG and Stewardship related issues from its investment advisers.

Following the introduction of DWP’s guidance, the Trustee agreed to set stewardship priorities to focus monitoring and engagement with their investment managers on specific ESG factors. In Q1 2023, the Trustee discussed and agreed stewardship priorities for the Scheme which were: Diversity, Equity & Inclusion and Board Remuneration. The Trustee communicated these priorities to its managers in October 2024.

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

All of the Trustee’s holdings in listed equities are within pooled funds and 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.

In this section we include voting data in line with the Pensions and Lifetime Savings Association (PLSA) guidance, PLSA Vote Reporting template and DWP’s guidance, on the Scheme’s funds that hold equities as follows:

- L&G AM - UK Equity Index Fund
- L&G AM - North America Equity Index Fund (GBP Hedged and Unhedged)
- L&G AM - Europe (ex UK) Equity Index Fund (GBP Hedged and Unhedged)
- L&G AM - Japan Equity Index Fund (GBP Hedged and Unhedged)
- L&G AM - Asia Pac (ex Japan) Equity Index Fund (GBP Hedged and Unhedged)
- L&G AM - Global Emerging Markets Index Fund

In addition to the above, the Trustee contacted the Scheme's other asset managers that don't hold listed equities, to ask if any of the assets held by the Scheme had voting opportunities over the period. None of the other pooled funds that the Scheme invested in over the Scheme year held any assets with voting opportunities.

3.1 Description of the voting processes

Explanations provided by L&G AM of its voting processes are set out below:

L&G AM

All voting decisions are made by L&G AM's Investment Stewardship team and in accordance with its 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 helps ensure L&G AM's stewardship approach is consistent 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. All voting decisions are made by L&G AM and it does not outsource any part of the strategic decisions. The use of ISS's recommendations is to augment L&G AM's 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 received 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, L&G AM 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 that 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 has strict monitoring controls to ensure its votes are fully and effectively executed in accordance with its voting policies by the 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.

In determining significant votes, L&G AM's Investment Stewardship team takes into account the criteria provided by the Pensions & Lifetime Savings Association (PLSA) guidance. This includes but is not limited to:

- High profile vote which has such a degree of controversy that there is high client and/ or public scrutiny;
- Significant client interest for a vote: directly communicated by clients to the Investment Stewardship team at L&G AM's annual Stakeholder roundtable event, or where L&G AM notes a significant increase in requests from clients on a particular vote;
- Sanction vote as a result of a direct or collaborative engagement;
- Vote linked to an L&G AM engagement campaign, in line with its Investment Stewardship's 5-year ESG priority engagement themes.

3.2 Summary of voting behaviour

A summary of voting behaviour over the period is provided in the table below. Voting data is shown over the year to 31 March 2025 and Scheme assets are shown at Scheme year end (30 April 2025).

	Fund 1	Fund 2	Fund 3
Manager name	L&G AM	L&G AM	L&G AM
Fund name	UK Equity Index Fund	North America Equity Index Fund	North America Equity Index Fund GBP Hedged
Total size of fund at end of reporting period	£9,477m	£19,245m	£5,190m
Value of Scheme assets at end of reporting period (£)	£2,367,921	£633,760	£607,835
Number of holdings at end of reporting period	501	567	
Number of meetings eligible to vote	717	629	
Number of resolutions eligible to vote	10,134	8,278	
% of resolutions voted	100.0%	98.9%	
Of the resolutions on which voted, % voted with management	93.8%	63.5%	
Of the resolutions on which voted, % voted against management	6.2%	35.9%	
Of the resolutions on which voted, % abstained from voting	0.0%	0.6%	
Of the meetings in which the manager voted, % with at least one vote against management	42.5%	97.9%	
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	5.3%	30.6%	

	Fund 4	Fund 5	Fund 6	Fund 7
Manager name	L&G AM	L&G AM	L&G AM	L&G AM
Fund name	Europe (ex UK) Equity Index	Europe (ex UK) Equity Index GBP Hedged	Japan Equity Index	Japan Equity Index GBP Hedged
Total size of fund at end of reporting period	£4,990m	£982m	£2,886m	£491m
Value of Scheme assets at end of reporting period (£)	£645,489	£633,914	£321,803	£322,489
Number of holdings at end of reporting period	384		778	
Number of meetings eligible to vote	504		493	
Number of resolutions eligible to vote	8,539		5,970	
% of resolutions voted	100.0%		100.0%	

Of the resolutions on which voted, % voted with management	81.5%	89.9%
Of the resolutions on which voted, % voted against management	18.1%	10.1%
Of the resolutions on which voted, % abstained from voting	0.4%	0.0%
Of the meetings in which the manager voted, % with at least one vote against management	79.2%	65.5%
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	8.8%	9.1%

	Fund 8	Fund 9	Fund 10
Manager name	L&G AM	L&G AM	L&G AM
Fund name	Asia Pacific (ex Japan) Equity Index Fund	Asia Pacific (ex Japan) Equity Index Fund GBP Hedged	Global Emerging Markets Index Fund
Total size of fund at end of reporting period	£1,861m	£311m	£94m
Value of Scheme assets at end of reporting period (£)	£309,805	£325,629	£1,506,230
Number of holdings at end of reporting period	487		2,517
Number of meetings eligible to vote	459		5,092
Number of resolutions eligible to vote	3,442		40,573
% of resolutions voted	100.0%		100.0%
Of the resolutions on which voted, % voted with management	74.5%		79.6%
Of the resolutions on which voted, % voted against management	25.3%		17.7%
Of the resolutions on which voted, % abstained from voting	0.2%		2.7%
Of the meetings in which the manager voted, % with at least one vote against management	71.7%		53.9%
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	13.2%		7.5%

Source: L&G AM. Scheme assets are reported using bid valuations.

3.3 Most significant votes over the year to 31 March 2025

Commentary on the most significant votes over the period, from the Scheme's asset managers who hold listed equities, is set out below.

Given the large number of votes which are cast by managers during every Annual General Meeting season, the timescales over which voting takes place as well as the resource requirements necessary to allow this, the Trustee did not identify significant voting ahead of the reporting period. Instead, the Trustee has retrospectively created a shortlist of most significant votes by requesting each manager provide a shortlist of votes, which comprises a minimum of ten most significant votes, and suggested the managers could use the PLSA's criteria for creating this shortlist. Given the large number of funds held with listed equity, we have selected a maximum of two votes for each fund.

The Trustee has interpreted "significant votes" to mean those that:

- align with the Trustee's stewardship priorities (Diversity, Equity and Inclusion and Board Remuneration);
- might have a material impact on future company performance;
- the investment manager believes to represent a significant escalation in engagement;
- impact a material fund holding, although this would not be considered the only determinant of significance, rather it is an additional factor;
- have a high media profile or are seen as being controversial;
- are shareholder resolutions which received material support;
- the subject of the resolution aligned with the investment manager's engagement priorities or key themes; and/or
- the Scheme or the sponsoring company may have a particular interest in.

L&G AM

When asked whether their votes were communicated to companies ahead of the voting, L&G AM stated: *L&G AM "publicly communicate our 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."*

When asked to provide the next steps after each vote, L&G AM provided the stated that they *"will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress."*

L&G AM - UK Equity Index Fund

Smith & Nephew plc, May 2024

- **Summary of resolution:** Re-elect Marc Owen as Director
- **Relevant stewardship priority:** Diversity, Equity and Inclusion
- **Approx size of the holding at the date of the vote:** 0.4%
- **Why this vote is considered to be most significant:** This vote related to one or more of the Trustee's chosen stewardship priorities.
- **Company management recommendation:** For
- **Fund manager vote:** Against
- **Rationale:** A vote against is applied because of a lack of progress on gender diversity on the board. L&G AM expects companies to have at least 40% female representation on the board.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote:** Pass

Rentokil Initial Plc, May 2024

- **Summary of resolution:** Re-elect Richard Solomons as Director
- **Relevant stewardship priority:** Diversity, Equity and Inclusion

- **Approx size of the holding at the date of the vote:** 0.4%
- **Why this vote is considered to be most significant:** This vote related to one or more of the Trustee's chosen stewardship priorities.
- **Company management recommendation:** For
- **Fund manager vote:** Against
- **Rationale:** A vote against is applied because of a lack of progress on gender diversity on the board. L&G AM expects companies to have at least 40% female representation on the board.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote:** Pass

L&G AM - North America Equity Index Fund (GBP Hedged and Unhedged)

Tesla Inc, June 2024

- **Summary of resolution:** Advisory Vote to Ratify Named Executive Officers' Compensation
- **Relevant stewardship priority:** Board remuneration
- **Approx size of the holding at the date of the vote:** 1.0%
- **The reason the Trustee considers this vote is considered to be "most significant":** This vote related to one or more of the Trustee's chosen stewardship priorities.
- **Company management recommendation:** For
- **Fund manager vote:** Against.
- **Rationale:** A vote against is applied as L&G AM believes that the approved remuneration policy should be sufficient to retain and motivate executives. While most NEOs received modest or no compensation for FY23, one executive was granted an outsized, time-based stock option award upon his promotion, the magnitude and design for which are not adequately explained. The grant does not require the achievement of pre-set performance criteria in order to vest and the value is considered to be excessive.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote:** Pass

United Health Group Incorporated, June 2024

- **Summary of resolution:** Elect Director John Noseworthy
- **Relevant stewardship priority:** Diversity, Equity and Inclusion
- **Approx size of the holding at the date of the vote:** 1.0%
- **The reason the Trustee considers this vote is considered to be "most significant":** This vote related to one or more of the Trustee's chosen stewardship priorities.
- **Company management recommendation:** For
- **Fund manager vote:** Against.
- **Rationale:** A vote against is applied as L&G AM expects a company to have at least one-third women on the board.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote:** Pass

L&G AM - Europe (ex UK) Equity Index Fund (GBP Hedged and Unhedged)

Investor AB, May 2024

- **Summary of resolution:** Re-elect Jacob Wallenberg as Board Chair
- **Relevant stewardship priority:** Diversity, Equity and Inclusion

- **Approx size of the holding at the date of the vote:** 0.5%
- **The reason the Trustee considers this vote is considered to be “most significant”:** This vote related to one or more of the Trustee’s chosen stewardship priorities.
- **Company management recommendation:** For
- **Fund manager vote:** Against
- **Rationale:** A vote against is applied as L&G AM expects a company to have a diverse board, with at least 40% of board members being women. L&G AM expect companies to increase female participation both on the board and in leadership positions over time.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote:** Pass

Adidas AG, May 2024

- **Summary of resolution:** Re-elect Thomas Rabe to the Supervisory Board Until 2025 AGM
- **Relevant stewardship priority:** Diversity, Equity and Inclusion
- **Approx size of the holding at the date of the vote:** 0.5%
- **The reason the Trustee considers this vote is considered to be “most significant”:** This vote related to one or more of the Trustee’s chosen stewardship priorities.
- **Company management recommendation:** For
- **Fund manager vote:** Against
- **Rationale:** A vote against is applied as L&G AM expects a company to have a diverse board, with at least 40% of board members being women. L&G AM expect companies to increase female participation both on the board and in leadership positions over time.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote:** Pass

L&G AM - Japan Equity Index Fund (GBP Hedged and Unhedged)

SoftBank Group Corp., June 2024

- **Summary of resolution:** Elect Director Son, Masayoshi
- **Relevant stewardship priority:** Diversity, Equity and Inclusion
- **Approx size of the holding at the date of the vote:** 1.2%
- **The reason the Trustee considers this vote is considered to be “most significant”:** This vote related to one or more of the Trustee’s chosen stewardship priorities.
- **Company management recommendation:** For
- **Fund manager vote:** Against
- **Rationale:** A vote against is applied due to the lack of meaningful diversity on the board.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote:** Pass

KEYENCE Corp, June 2024

- **Summary of resolution:** Elect Director Nakata, Yu
- **Relevant stewardship priority:** Diversity, Equity and Inclusion
- **Approx size of the holding at the date of the vote:** 2.0%
- **The reason the Trustee considers this vote is considered to be “most significant”:** This vote related to one or more of the Trustee’s chosen stewardship priorities.

- **Company management recommendation:** For
- **Fund manager vote:** Against
- **Rationale:** A vote against is applied due to the lack of meaningful diversity on the board. A vote against has been applied as the Company has not provided disclosure surrounding the use of former CEO as Advisor to the Board.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote:** Pass

L&G AM - Asia Pacific (ex Japan) Equity Index Fund (GBP Hedged and Unhedged)

Westpac Banking Corporation, December 2024

- **Summary of resolution:** Elect Margaret Seale as Director
- **Relevant stewardship priority:** Diversity, Equity and Inclusion
- **Approx size of the holding at the date of the vote:** 2.6%
- **The reason the Trustee considers this vote is considered to be “most significant”:** This vote related to one or more of the Trustee’s chosen stewardship priorities
- **Company management recommendation:** For
- **Fund manager vote:** For
- **Rationale:** Diversity: A vote in favour is applied despite the proportion of women on the Board having fallen below one-third of board members as at the 2024 AGM. However, support is warranted given the Company exceeded its goal of 40% female directors by the 2024 year-end, with some recent board changes at the AGM throwing it out of kilter. L&G AM expect companies to increase female participation both on the board and in leadership positions over time and will monitor Westpac's performance in this regard.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote:** Pass.

Insurance Australia Group Limited, October 2024

- **Summary of resolution:** Elect Michelle Tredenick as Director
- **Relevant stewardship priority:** Diversity, Equity and Inclusion
- **Approx size of the holding at the date of the vote:** 0.4%
- **The reason the Trustee considers this vote is considered to be “most significant”:** This vote related to one or more of the Trustee’s chosen stewardship priorities
- **Company management recommendation:** For
- **Fund manager vote:** Against
- **Rationale:** Diversity: A vote against is applied as L&G AM expects a company to have a diverse board, with at least one-third of board members being women. We expect companies to increase female participation both on the board and in leadership positions over time.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote:** Pass

L&G AM - Global Emerging Markets Equity Fund

PDD Holdings Inc. December 2024

- **Summary of resolution:** Elect Director George Yong-Boon Yeo
- **Relevant stewardship priority:** Diversity, Equity and Inclusion
- **Approx size of the holding at the date of the vote:** 0.7%

- **The reason the Trustee considers this vote is considered to be “most significant”:** This vote related to one or more of the Trustee’s chosen stewardship priorities.
- **Company management recommendation:** For
- **Fund manager vote:** Against.
- **Rationale:** Diversity: A vote against is applied as L&G AM expects a company to have at least one-third of women on the board.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote:** Pass.

Gold Fields Ltd., May 2024

- **Summary of resolution:** Re-elect Steven Reid as Director
- **Relevant stewardship priority:** Diversity, Equity and Inclusion
- **Approx size of the holding at the date of the vote:** 0.2%
- **The reason the Trustee considers this vote is considered to be “most significant”:** This vote related to one or more of the Trustee’s chosen stewardship priorities.
- **Company management recommendation:** For
- **Fund manager vote:** Against.
- **Rationale:** A vote against is applied as L&G AM expects a company to have a diverse board, with at least one-third of board members being women. L&G AM expect companies to increase female participation both on the board and in leadership positions over time.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote:** Pass