

Implementation Statement for the Year to 31st March 2024

F Hinds Pension Fund ('the Fund')

Managing risks

Risk / Policy	Definition	Policy	Actions
Interest rates and Inflation	The risk of mismatch between the value of the Fund's assets and present value of liabilities from changes in interest rates and inflation expectations.	To invest in matching assets that move in line with the present value of the Fund's liabilities.	The Fund increased its allocation to Gilts-based funds over the period, which aim to hedge part of the Fund's inflation and interest rate risk.
Liquidity	Difficulties in raising sufficient cash when required without adversely impacting the fair market value of the investment.	To maintain a sufficient allocation to liquid assets so that there is a prudent buffer to pay members benefits as they fall due (including transfer values).	The Fund did not have exposure to LDI funds so it did not suffer from any liquidity strain. The portfolio is very liquid with funds traded at least weekly.
Market	Experiencing losses due to factors that affect the overall performance of the financial markets.	To remain adequately diversified.	The Fund invests only 13% in a well diversified equity fund, with the remaining portfolio aiming to target changes in liability values.
Credit	Default on payments due as part of a financial security contract.	To diversify this risk by investing in a range of credit markets across different geographies and sectors where possible.	The Fund invested in a passive long dated credit fund and an actively managed absolute return credit fund which invest across a variety of sectors, diversifying the underlying credit risk.
Environmental, Social and Governance	Exposure to Environmental, Social and Governance factors, including but not limited to climate change, can impact the performance of the Fund's investments.	To appoint managers who integrate ESG into their investment process, utilise their right to vote and have good reporting on ESG matters.	As part of the investment management of the Fund's assets, the Trustees expects the investment managers to make decisions on: • The selection, retention and realisation of investments considering all financially material considerations. • The exercise of rights (including voting rights) attached to these investments. • Undertaking engagement activities with investee companies and other stakeholders where appropriate.

		To date the Trustees have not set ESG priorities and do not use proxy voting services – all voting is carried out by their fund managers.
Non-financial	Any factor that is not expected to have a financial impact on the Fund's investments.	Non-financial matters are not taken into account in the selection, retention or realisation of investments.

Changes to the SIP

Policies added to the SIP
There were no changes to the SIP

Implementing the current ESG policy and approach

ESG as a financially material risk

The SIP describes the Fund's policy with regards to ESG as a long-term risk. The next page details how the Fund's ESG policy is implemented. The rest of this statement details the Trustee's view of the managers, the actions for engagement and an evaluation of the stewardship activity.

The following table outlines the areas by which the Fund's investment managers are assessed on when evaluating their ESG policies. The Trustees will review the Fund's ESG policies and engagements periodically to ensure they remain fit for purpose.

Implementing the Current ESG Policy

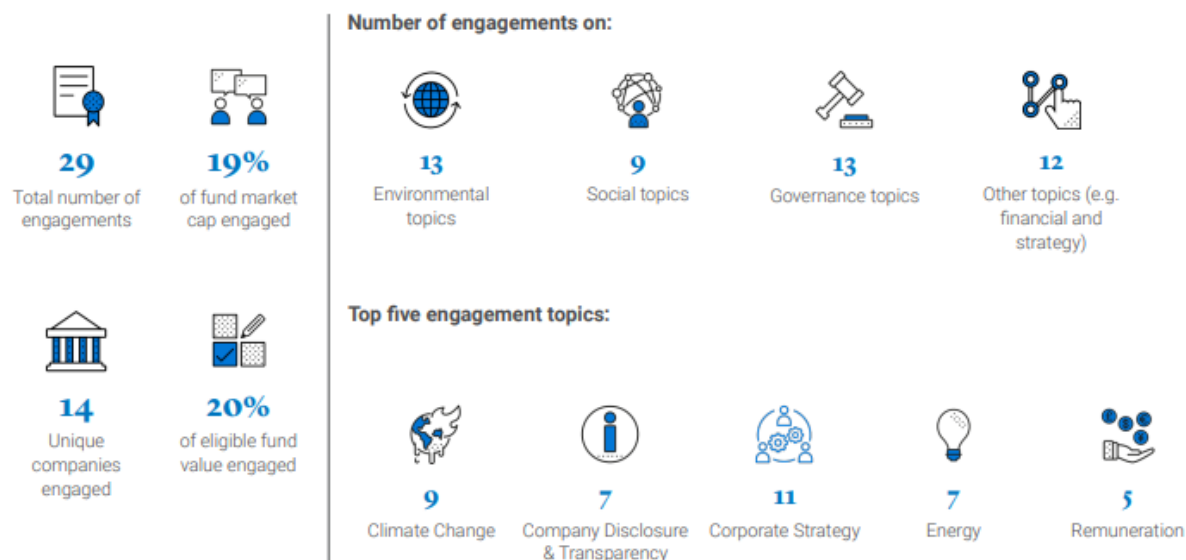
Areas for monitoring and engagement	Method for monitoring and engagement	Circumstances for additional monitoring and engagement
Environmental, Social, Corporate Governance factor and the exercising of rights.	The Trustees receive information from its investment advisers and its fund managers on the investment managers' approaches to engagement.	The manager has not acted in accordance with their own policies and frameworks. The manager's policies are not in line with the Trustees' policies in this area.

Fund Manager	Transparency
LGIM	All decisions are made by LGIM's Investment Stewardship team and in accordance with their 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 their 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. LGIM'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 clients. Their voting policies are reviewed annually and take into account feedback from clients. Every year, LGIM 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 LGIM continue to develop their voting and engagement policies and define strategic priorities in the years ahead. They also take into account client feedback received at regular meetings and/ or ad-hoc comments or enquiries. LGIM's Investment Stewardship team uses ISS's 'Proxy Exchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and they do not outsource any part of the strategic decisions. Their use of ISS recommendations is to augment their 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 they receive from ISS for UK companies when making specific voting decisions. To ensure their proxy provider votes in accordance with their position on ESG, LGIM have put in place a custom voting policy with specific voting instructions. These instructions apply to all markets globally and seek to uphold what LGIM consider are minimum best practice standards which they believe all companies globally should observe, irrespective of local regulation or practice. LGIM retain the ability in all markets to override any vote decisions, which are based on LGIM's 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 LGIM to apply a qualitative overlay to their voting judgement. LGIM have strict monitoring controls to ensure their votes are fully and effectively executed in accordance with their voting policies by their service provider. This includes a regular manual check of the votes input into the platform, and an electronic alert service to inform LGIM of rejected votes which require further action. More information can be found at: https://www.lgim.com/uk/en/capabilities/investment-stewardship/active-ownership/

	Data provision is strong, including broader information on company-wide voting, although not relevant for this fund.
Newton	Includes scoring of diversity, carbon intensity, water reduction and more. However, as a bond fund voting does not occur.

LGIM Engagement Activity – AAA-AA-A Corporate Bond Over 15 Year Index Fund

Please note that the data below is for the 12 months to 31 December 2023 as March 2024 data was unavailable at the time of completing the accounts.



LGIM Voting Activity - Global Equity Fixed Weights (50:50) Fund

How many meetings were you eligible to vote at over the year to 2024-03-31?	3035
How many resolutions were you eligible to vote on over the year to 2024-03-31?	39303
What % of resolutions did you vote on for which you were eligible?	99.82%
Of the resolutions on which you voted, what % did you vote with management?	81.76%
Of the resolutions on which you voted, what % did you vote against management?	18.14%
Of the resolutions on which you voted, what % did you abstain from?	0.11%

In what % of meetings, for which you did vote, did you vote at least once against management?	70.15%
Which proxy advisory services does your firm use, and do you use their standard voting policy or created your own bespoke policy which they then implemented on your behalf?	LGIM's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and we do not outsource any part of the strategic 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. For more details, please refer to the Voting Policies section of this document.
What % of resolutions, on which you did vote, did you vote contrary to the recommendation of your proxy adviser? (if applicable)	13.30%

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
Company name	Shell Plc	BP Plc	Glencore Plc	Microsoft Corporation	Apple Inc.
Date of vote	2023-05-23	2023-04-27	2023-05-26	2023-12-07	2024-02-28
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	3.532819	1.892694	1.263203	1.207388	1.066538
Summary of the resolution	Resolution 25 - Approve the Shell Energy Transition Progress	Resolution 4 - Re-elect Helge Lund as Director	Resolution 19: Shareholder resolution "Resolution in Respect of the Next Climate Action Transition Plan"	Resolution 1.06 - Elect Director Satya Nadella	Report on Risks of Omitting Viewpoint and Ideological Diversity from EEO Policy
How you voted	Against (against management recommendation)	Against (against management recommendation)	For (Against Management Recommendation)	Against	Against
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a 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.	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a 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.	LGIM co-filed this shareholder resolution and pre-declared its vote intention for this meeting on the LGIM Blog. As part of this process, there was regular communication with the company ahead of the meeting.	LGIM 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	LGIM 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
Rationale for the voting decision	Climate change: A vote against is applied, though not without reservations. We acknowledge the substantial progress made by the company in meeting its 2021 climate commitments and welcome the company's leadership in pursuing low carbon products. However, we remain concerned by the lack of disclosure surrounding future oil and gas production plans and targets associated with the upstream and downstream operations; both of these are key areas to demonstrate alignment with the 1.5C trajectory.	Governance: A vote against is applied due to governance and board accountability concerns. Given the revision of the company's oil production targets, shareholders expect to be given the opportunity to vote on the company's amended climate transition strategy at the 2023 AGM. Additionally, we note concerns around the governance processes leading to the decision to implement such amendments.	In 2021, Glencore made a public commitment to align its targets and ambition with the goals of the Paris Agreement. However, it remains unclear how the company's planned thermal coal production aligns with global demand for thermal coal under a 1.5°C scenario. Therefore, LGIM has co-filed this shareholder proposal (alongside Ethos Foundation) at Glencore's 2023 AGM, calling for disclosure on how the company's thermal coal production plans and capital allocation decisions are aligned with the Paris objectives. This proposal was filed as an organic escalation following our multi-year discussions with the company since 2016 on its approach to the energy transition.	Joint Chair/CEO: A vote against is applied as LGIM expects companies to separate the roles of Chair and CEO due to risk management and oversight concerns.	Shareholder Resolution - Environmental and Social: A vote AGAINST this proposal is warranted, as the company appears to be providing shareholders with sufficient disclosure around its diversity and inclusion efforts and nondiscrimination policies, and including viewpoint and ideology in EEO policies does not appear to be a standard industry practice.
Outcome of the vote	80% (Pass)		29.2% (Fail)	N/A	Fail
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM continues to undertake extensive engagement with Shell on its climate transition plans	LGIM will continue to engage with the company and monitor progress.	LGIM will continue to engage with the company and monitor progress.	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
On which criteria (as explained in the cover email) have you assessed this vote to be "most significant"?	Thematic - Climate: LGIM is publicly supportive of so called "Say on Climate" votes. We expect transition plans put forward by companies to be both ambitious and credibly aligned to a 1.5C scenario. Given the high-profile of such votes, LGIM deem such votes to be significant, particularly when LGIM votes against the transition plan.	High Profile Meeting and Engagement: We consider this vote to be significant given our long-standing engagement with the company on the issue of climate.	Pre-declaration and Engagement: LGIM considers this vote to be significant as LGIM co-filed this shareholder resolution as an escalation of our engagement activity, targeting some of the world's largest companies on their strategic management of climate change.	Thematic - Board Leadership: LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO.	Thematic - Diversity: LGIM views diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.

	Vote 6	Vote 7	Vote 8	Vote 9	Vote 10
Company name	Experian Plc	Flutter Entertainment Plc	Ashtead Group Plc	Amazon.com, Inc.	SSE Plc
Date of vote	2023-07-19	2023-04-27	2023-09-06	2023-05-24	2023-07-20
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.586075	0.542042	0.525204	0.436330	0.422750
Summary of the resolution	Resolution 14: Re-elect Mike Rogers as Director	Resolution 5H - Re-elect Gary McGann as Director	Resolution 4: Re-elect Paul Walker as Director	Resolution 13 – Report on Median and Adjusted Gender/Racial Pay Gaps	Resolution 17: Approve Net Zero Transition Report
How you voted	Against	Against (against management recommendation)	Against	For (Against Management Recommendation)	For
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a 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.	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a 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	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a 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	LGIM pre-declared its vote intention for this meeting on the LGIM Blog. As part of this process, a communication was set to the company ahead of the meeting.	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a 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.
Rationale for the voting decision	Diversity: A vote against is applied due to the lack of gender diversity at executive officer level. LGIM expects executives officers to include at least 1 female.	Diversity: A vote against is applied due to the lack of gender diversity at executive officer level. LGIM expects executives officers to include at least 1 female.	Diversity: A vote against is applied due to the lack of gender diversity at executive officer level. LGIM expects executives officers to include at least 1 female.	A vote in favour is applied as LGIM expects companies to disclose meaningful information on its gender pay gap and the initiatives it is applying to close any stated gap. This is an important disclosure so that investors can assess the progress of the company's diversity and inclusion initiatives. Board diversity is an engagement and voting issue, as we believe cognitive diversity in business – the bringing together of people of different ages, experiences, genders, ethnicities, sexual orientations, and social and economic backgrounds – is a crucial step towards building a better company, economy and society.	Climate change: A vote FOR is applied as LGIM expects companies to introduce credible transition plans, consistent with the Paris goals of limiting the global average temperature increase to 1.5°C. This includes the disclosure of scope 1, 2 and material scope 3 GHG emissions and short-, medium- and long-term GHG emissions reduction targets consistent with the 1.5°C goal.
Outcome of the vote	8% (Pass)			29% (Fail)	
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.	LGIM will continue to engage with the company and monitor progress.	LGIM will continue to engage with the company and monitor progress.
On which criteria (as explained in the cover email) have you assessed this vote to be "most significant"?	Thematic - Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.	Thematic - Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.	Thematic - Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.	Pre-declaration and Thematic – Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.	Thematic - Climate: LGIM is publicly supportive of so called "Say on Climate" votes. We expect transition plans put forward by companies to be both ambitious and credibly aligned to a 1.5C scenario. Given the high-profile of such votes, LGIM deem such votes to be significant, particularly when LGIM votes against the transition plan.

Newton Example Engagement Activity

Quarter	Engagement
Q2 2023	Barclays across E, S and G, including risk management, ethics and climate change risk management across the value chain.
Q3 2023	Anglian Water Services on natural resource impact through their operations. Coventry Building Society on safety, working conditions, employee engagement, diversity and inclusion. Australian government on climate transition risk and net zero strategy.
Q4 2023	Iceland Bondoc (food retail) on board diversity.
Q1 2024	AIB on treatment of minority shareholders. First Quantum Minerals on climate risk, net zero strategy and operations in sensitive areas.