

Implementation Statement

University of Leeds Pension and Assurance Scheme

Purpose of this statement

This implementation statement has been produced by the Trustee of the University of Leeds Pension and Assurance Scheme (PAS) to set out the following information over the year to 31 March 2025:

- the voting activity undertaken by the PAS's investment managers on behalf of the Trustee over the year, including information regarding the most significant votes; and
- how the Trustee's policies on exercising rights (including voting rights) and engagement activities have been followed over the year.

Stewardship policy

The Trustee's Statement of Investment Principles (SIP) describes the Trustee's stewardship policy on the exercise of rights (including voting rights) and engagement activities. The SIP was last reviewed in March 2024, this update included incorporating a Responsible Investment Policy into the SIP. The SIP been made available online here:

<https://hr.leeds.ac.uk/downloads/file/872/pas-statement-of-investment-principles>

To enable the Trustee to make high quality decisions, fact-finding and analysis related to stewardship of the PAS's assets is delegated to the Trustee's independent investment advisor. The investment managers research companies, identify any issues and then engaging with them as necessary based on their own stewardship policies. The Trustee has set a Stewardship Priority of Environmental and Climate issues. The Trustee will review the Stewardship Priority periodically.

How voting and engagement/stewardship policies have been followed

Based on the information provided by the PAS's investment managers, the Trustee believes that its policies on voting and engagement have been met in the following ways:

- With the exception of the segregated Liability Driven Investment portfolio with Schroders, which has no voting rights and limited ability to engage with key stakeholders given the nature of the mandate, the PAS invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the PAS's investment managers.
- The Trustee has set an allocation of 7.5% of the PAS's total invested assets to an actively managed Impact fund within the Equity Portfolio, the Alliance Bernstein Sustainable Global Equity Fund. This fund invests in an actively managed, diversified portfolio of shares in global companies that are identified as positively contributing to sustainable investment themes derived from the UN Sustainable Development Goals. This investment was made in line with the PAS's Responsible Investment Policy, which states that "the Trustee will look for opportunities to include within the PAS's portfolio investments that will have a positive and, where possible, measurable impact on society and the environment".
- On an annual basis the Trustee receives voting information and engagement policies from the PAS's investment managers, which is reviewed to ensure alignment with the Trustee's stewardship priorities.

- The annual monitoring exercise considers alignment of voting and engagement activities with these.
- The Trustee's annual review of their investment managers involves considering sustainability ratings provided by its investment consultant, as a measure of how the PAS's investment managers take account of sustainability issues.
- During the year, the Trustee's review of the PAS's investment managers' approaches to ESG and engagement was carried out in August 2024, and related to activity over the year to 31 March 2024. As a result of this monitoring, the Trustee believes that the voting and engagement activities undertaken by the investment managers on their behalf have been in the members' best interests. The Trustee subsequently carried out monitoring of the investment managers' approaches to ESG and engagement over the year to 31 March 2025, which is to be covered at the Trustee meeting on 12 September 2024.
- Overall, the Trustee does not have any material concerns with the ESG and Stewardship activities of the PAS's holdings. Following the monitoring described above, the PAS will consider if the Trustee wishes to raise any queries with the PAS's investment managers.
- Most of the PAS's investment managers were able to provide evidence that they are actively engaging with key stakeholders on behalf of the Trustee where possible, although the nature of some of the funds the PAS invests in means this is not always possible. The investment into these funds were made before the PAS's policies on ESG, stewardship and Responsible Investment were put in place. As the investments in these funds wind down, the Trustee will take into account their policies for considering ESG and stewardship as part of determining any new funds to invest in.
- Having reviewed the above in accordance with their policies, the Trustee is comfortable that the action of the PAS's investment managers has been in alignment with the PAS's stewardship policies.

**On behalf of the Trustee of the University of Leeds PAS
September 2025**

Voting activity over the year to 31 March 2025 | Summary

This section provides a summary of the voting activity undertaken by the investment managers within the PAS's Growth Portfolio on behalf of the Trustee over the year to 31 March 2025.

This does not include the holdings in the WTW Secure Income Fund, Janus Henderson Multi Asset Credit Fund, M&G Real Estate Debt (RED) Funds, Mercer PIP V Infrastructure Fund, Mercer MGI UK Cash Fund, or the Polus Pathfinder II Fund, as the holdings in these funds do not typically carry voting rights. This is also the case of the funds held in the PAS's Protection Portfolio.

Manager	Legal and General (LGIM)		Ninety One Asset Management	Alliance Bernstein
Fund name	ESG Paris Aligned World Equity	RAFI Multi-Factor Climate Transition	Emerging Markets Equity Fund	Sustainable Global Equity Fund
Structure	Pooled	Pooled	Pooled	Pooled
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustee to influence the manager's voting behaviour.			
No. of eligible meetings	1,161	678	124	56
Percentage of resolutions voted	99.5%	99.7%	98.5%	100.0%
Percentage of resolutions abstained	0.5%	0.6%	4.8%	0.0%
Percentage of resolutions voted with management*	78.0%	77.8%	92.5%	95.0%
Percentage of resolutions voted against management	21.5%	21.7%	7.5%	5.0%
Proxy voting advisor employed	Both managers use the Institutional Shareholder Service (ISS) who provide research recommendations based on their internal voting policies. The managers consider and discuss this with their respective investment teams to make a decision in the best interest of the shareholders.			Alliance Bernstein uses ISS who provides research services. However, Alliance Bernstein vote in accordance with the Alliance Bernstein Proxy Voting and Governance Policy.
Percentage of resolutions voted against proxy voter recommendation	15.8%	17.4%	1.8%	4.0%

Voting activity over the year to 31 March 2025 | Significant votes

The change in Investment and Disclosure Regulations that came into force from October 2020 requires information on significant votes carried out on behalf of the Trustee over the year to be set out. The guidance does not currently define what constitutes a "significant" vote. However, recent guidance states that a significant vote is likely to be one that is linked to one or more of a PAS's stewardship priorities / themes.

LGIM have provided a selection of votes which they believe to be significant. Alliance Bernstein have provided four votes which they believe to be significant. Ninety One have provided eight votes which they believe to be significant. The Trustee selected the most significant votes for each fund which relate to the PAS's environment and climate stewardship priorities where possible.

LGIM | ESG Paris Aligned World Equity

	Vote 1	Vote 2	Vote 3
Company name	Bank of America Corporation	Broadcom Inc.	Unilever Plc
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.5%	1.4%	0.4%
Summary of the resolution	Report on Clean Energy Supply Financing Ratio	Elect Director Henry Samueli	Approve Climate Transition Action Plan
How the manager voted	For	Against	For
Rationale provided for the voting decision	LGIM is in favour of this proposal as they believe that banks and financial institutions have a significant role to play in shifting financing to funding the transition to 'green'. LGIM expects the company to be undertaking appropriate analysis and reporting on climate change matters, as they consider this issue to be a material risk to companies.	LGIM voted against this resolution as the company is deemed to not meet minimum standards with regard to climate risk management.	LGIM voted for the CTAP as we understand it to meet LGIM's minimum expectations. 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 a 1.5°C Paris goal. We remain supportive of the net zero trajectory of the company at this stage.
Outcome of the vote	N/A	Pass	Pass
Implications of the outcome	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.		
Criteria on which the vote is considered "significant"	In line with Stewardship Priority. This shareholder resolution is considered significant as LGIM expects companies to be undertaking appropriate analysis and reporting on climate change matters.	In line with Stewardship Priority. This vote was applied under LGIM's Climate Impact Pledge, targeting companies in climate-critical sectors.	In line with Stewardship Priority. LGIM is publicly supportive of so called "Say on Climate" votes. Given the high-profile nature of such votes, LGIM deem such votes to be significant.

LGIM | RAFI Multi-Factor Climate Transition

	Vote 1	Vote 2	Vote 3
Company name	Broadcom Inc.	Canadian National Railway Company	The TJX Companies, Inc.
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	1.1%	0.3%	0.7%
Summary of the resolution	Elect Director Henry Samueli	Management Advisory Vote on Climate Change	Elect Director Carol Meyrowitz
How the manager voted	Against	For	Against
Rationale provided for the voting decision	LGIM voted against this resolution as the company is deemed to not meet minimum standards with regard to climate risk management.	LGIM voted for this resolution as they expect companies to introduce credible transition plans, consistent with the Paris goals of limiting the global average temperature increase to 1.5°C.	LGIM voted against this resolution as the company is deemed to not meet minimum standards with regard to climate risk management.
Outcome of the vote	Pass	Pass	Pass
Implications of the outcome	LGIM will continue to engage with the company and monitor progress.		
Criteria on which the vote is considered "significant"	In line with Stewardship Priority. LGIM considers this vote to be significant as it is applied under the Climate Impact Pledge, LGIM's flagship engagement programme targeting companies in climate-critical sectors.	In line with Stewardship Priority. 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.	In line with Stewardship Priority. LGIM considers this vote to be significant as it is applied under the Climate Impact Pledge, LGIM's flagship engagement programme targeting companies in climate-critical sectors.

Ninety One | Emerging Markets Equity Fund

Ninety One have confirmed that no significant votes related to the PAS's stewardship priority over the period.

	Vote 1	Vote 2	Vote 3
Company name	Weichai Power Co., Ltd.	Vale SA	PetroChina Company Limited
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	1.21%	1.35%	1.90%
Summary of the resolution	Approve Financial Budget Report	Elect Marcio de Souza as Fiscal Council Member and Ana Maria Loureiro Recart as Alternate Appointed by Caixa de Previdencia dos Funcionarios do Banco do Brasil – Previ.	Approve Report of the Board of Directors
How the manager voted	Against	Against	Abstain
Rationale provided for the voting decision	Ninety One voted against this resolution due to lack of disclosure.	A vote against this was issued because a current key risk for Vale is the government's involvement in the business thus given this member is appointed by Previ (Banco do Brasil), it would not be in line with Ninety One's interests.	Ninety One abstained to vote on this resolution as they believe the company have made some progress that should be recognised and so voting against may send the wrong signal, but given the lack of mid-term targets they want to indicate that we think there has been insufficient progress made. A follow up communication will be sent to the board.
Outcome of the vote	Pass	Pass	Pass
Implications of the outcome	Ninety One monitors voting outcomes but bases its engagement strategy on issuer-specific assessments, so it cannot provide implications of the outcome based solely on the vote.		
Criteria on which the vote is considered "significant"	This is an example of a vote against management.		

Alliance Bernstein | Sustainable Global Equity Fund

Alliance Bernstein have confirmed that no significant votes related to the PAS's stewardship priority over the period.

	Vote 1	Vote 2	Vote 3
Company name	AIA Group Limited	Microsoft Corporation	London Stock Exchange Group plc
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	2.24%	3.26%	2.29%
Summary of the resolution	Elect Cesar Velasquez Purisima as Director	Report on AI Data Sourcing Accountability	Re-elect Dominic Blakemore as Director
How the manager voted	Against	For	Against
Rationale provided for the voting decision	AB voted against this because the nominee is not a CEO and sits on 6 boards.	AB voted for this proposal as it appears to add value to shareholders by increasing transparency and mitigating some reputational and regulatory risks that are associated with AI data sourcing. While the company does publish an AI transparency report, it includes limited information about data sourcing accountability and additional information would be value additive.	AB voted against this as the nominee is an incumbent member for the audit committee and the company is maintaining a multi-class capital structure with unequal voting rights.
Outcome of the vote	Pass	Fail	Pass
Implications of the outcome	AB will persist in voting against relevant directors if they sit on an excessive number of public boards.	AB will continue to monitor the company's disclosure of its use of AI, and will remain supportive of proposals calling for transparency, where it adds value to shareholders.	AB will persist in voting against relevant directors if the company maintains its problematic capital structure.
Criteria on which the vote is considered "significant"	This is an example of a vote against management on a director election.	This is an example of a vote against management on a social SHP.	This is an example of a vote against management on a director election, addressing capital structure concerns.

Engagement activity over the year to 31 March 2025

The investment managers may engage with investee companies on behalf of the Trustee. The tables below provide a summary of the engagement activities undertaken by each manager during the year for the relevant funds. Engagement activities are limited for the PAS's Protection Portfolio due to the nature of the underlying holdings, so engagement information for these assets have not been shown.

Engagement overview | Equity Portfolio

Manager	LGIM		Ninety One	Alliance Bernstein
Fund name	ESG Paris Aligned World Equity	RAFI Multi-Factor Climate Transition	Emerging Markets Equity Fund	Sustainable Global Equity Fund
Does the manager perform engagement on behalf of the holdings in the fund	Yes	Yes	Yes	Yes
Number of engagements undertaken on behalf of the holdings in this fund in the year	812	599	26	89
Number of engagements undertaken at a firm level in the year	4,459		365	1,284

Engagement overview | Non-Equity Growth Portfolio

Manager	M&G*	Mercer**	Willis Towers Watson***	Polus	Janus Henderson	
Fund name	Real Estate Debt (RED) Funds IV and V	PIPV Infrastructure	MGI UK Cash Fund	Secure Income Fund	Pathfinder Fund II	Multi-Asset Credit Fund
Does the manager perform engagement on behalf of the holdings in the fund	Yes*	Yes	Yes	Yes	No	Yes
Number of engagements undertaken on behalf of the holdings in this fund in the year	n/a	Not tracked	Not tracked	27	n/a	47
Number of engagements undertaken at a firm level in the year	411	Not tracked	Not tracked	137	30	699

*M&G's ability to control and dictate ESG initiatives at the borrower level is limited once an investment has been made, as they do not hold a controlling equity interest where they would be more readily able to influence policy. However, engagement on ESG related issues forms part of the due diligence and initial negotiation process prior to the investment being executed.

**Similar to last year, there is no applicable information to provide relating to voting and engagement activity, with respect to the MGI UK Cash Fund and the PIP V Infrastructure fund. This is due to the fact there are no equity voting rights attached to these investments, and there is no engagement activity data available to share for either of the funds.

***Willis Towers Watson collate firmwide engagement figures on an annual basis therefore these figures relate to the 12 months to 31 December 2024.