

Engagement Policy Implementation Statement (“EPIS”)

University of East Anglia Staff Superannuation Scheme (the “Scheme”)

Scheme Year End – 31 July 2024

The purpose of the EPIS is for us, the Trustees of the University of East Anglia Staff Superannuation Scheme, to explain what we have done during the year ending 31 July 2024 to achieve certain policies and objectives set out in the Statement of Investment Principles (“SIP”). It includes:

1. How our policies in the SIP about asset stewardship (including both voting and engagement activity) in relation to the Scheme’s investments have been followed during the year; and
2. How we have exercised our voting rights or how these rights have been exercised on our behalf, including the use of any proxy voting advisory services, and the ‘most significant’ votes cast over the reporting year.

Our conclusion

Based on the activity we have undertaken during the year, we believe that the policies set out in the SIP have been implemented effectively.

In our view, most of the Scheme’s material investment managers were able to disclose adequate evidence of voting and engagement activity, and the activities completed by our managers align with our stewardship expectations.

Overall, our investment managers have provided us with high-quality engagement information that was sufficient for us to deduce that the policies in our SIP had been implemented effectively, however, there are areas where we would like to see additional details. We (with the support of our investment advisers) will engage with these managers as per our Engagement Action Plan to encourage improvements in future reporting and transparency.

How voting and engagement policies have been followed

The Scheme is invested entirely in pooled funds, and so the responsibility for voting and engagement is delegated to the Scheme's investment managers, which is in line with the policies set out in our SIP. We reviewed the stewardship activity of the material investment managers carried out over the Scheme year and in our view, most of the investment managers were able to disclose adequate evidence of voting and engagement activity. More information on the stewardship activity carried out by the Scheme's investment managers can be found in the following sections of this report.

Over the reporting year, we monitored the performance of the Scheme's investments on a quarterly basis and received updates on important issues from our investment adviser, Aon Investments Limited ("Aon"). In particular, we received quarterly ESG ratings from Aon for the funds the Scheme is invested in where available.

Each year, we review the voting and engagement policies of the Scheme's investment managers to ensure they align with our own policies for the Scheme and help us to achieve them.

The Scheme's stewardship policy can be found in the SIP: [UEASSS Staff Superannuation Pension Scheme](#)

Our Engagement Action Plan

Based on the work we have done for the EPIS, we have decided to take the following steps over the next 12 months:

1. While BlackRock provided a comprehensive list of fund-level engagement for its equity funds, which we find encouraging, these examples did not give as much detailed as required by the Investment Consultants Sustainability Working Group ("ICSWG") industry standard. Additionally, the manager did not provide sufficient engagement information for its property fund.

We will engage with BlackRock through our investment adviser to better understand its voting and engagement practices and discuss the areas which are behind those of its peers.

2. In addition, we engaged with BlackRock to understand why it only voted on 92% of the total eligible resolutions for the 'ACS World ESG Equity Tracker Fund' BlackRock provided the following explanation:
"In certain markets, proxy voting involves logistical issues which can affect BlackRock's ability to vote such proxies, as well as the desirability of voting such proxies. These issues include, but are not limited to:
 - a. untimely notice of shareholder meetings;
 - b. restrictions on a foreigner's ability to exercise votes;
 - c. requirements to vote proxies in person;
 - d. "share-blocking" (requirements that investors who exercise their voting rights surrender the right to dispose of their

What is stewardship?

Stewardship is investors using their influence over current or potential investees/issuers, policy makers, service providers and other stakeholders to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

This includes prioritising which Environmental Social Governance ("ESG") issues to focus on, engaging with investees/issuers, and exercising voting rights.

Differing ownership structures means stewardship practices often differ between asset classes.

Source: UN PRI

- holdings for some specified period in proximity to the shareholder meeting);
- e. potential difficulties in translating the proxy;
 - f. regulatory constraints; and
 - g. requirements to provide local agents with unrestricted powers of attorney to facilitate voting instructions. We are not supportive of impediments to the exercise of voting rights such as share-blocking or overly burdensome administrative requirements.”

As a consequence, BlackRock votes proxies in these situations on a “best-efforts” basis. In addition, BlackRock may determine that it is generally in the best interests of its clients not to vote proxies (or not to vote our full allocation) if the costs (including but not limited to opportunity costs associated with share blocking constraints) associated with exercising a vote are expected to outweigh the benefit the client would derive by voting on the proposal.

We will engage with BlackRock through our investment adviser who will continue to monitor this in subsequent reporting cycles.

- 3. Aon are currently engaging with private debt managers about their stewardship reporting so that their direct engagement activity can be more readily included in annual reporting alongside other asset classes

Our managers' voting activity

Good asset stewardship means being aware and active on voting issues, corporate actions and other responsibilities tied to owning a company's stock. We believe that good stewardship is in the members' best interests to promote best practice and encourage investee companies to access opportunities, manage risk appropriately, and protect shareholders' interests. Understanding and monitoring the stewardship that investment managers practice in relation to the Scheme's investments is an important factor in deciding whether a manager remains the right choice for the Scheme.

Voting rights are attached to listed equity shares, including equities held in multi-asset funds. We expect the Scheme's equity-owning investment managers to responsibly exercise their voting rights.

Voting statistics

The table below shows the voting statistics for each of the Scheme's material funds with voting rights for the year to 30 June 2024 which broadly matches the Scheme year. Managers collate voting information on a quarterly basis.

Funds	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
BlackRock - ACS World ESG Equity Tracker Fund - GBP Hedged	6,737	92.0%	2.2%	0.2%
BlackRock - Aquila Life Market Advantage Fund	22,458	99.0%	4.2%	1.3%
UBS Global Asset Management – Life Climate Aware World Equity Fund	17,927	98.6%	10.1%	0.1%

Source: Investment Managers. Please note that the 'abstain' votes noted above are a specific category of vote that has been cast, and are distinct from a non-vote.

Use of proxy voting advisers

Many investment managers use proxy voting advisers to help them fulfil their stewardship duties. Proxy voting advisers provide recommendations to institutional investors on how to vote at shareholder meetings on issues such as climate change, executive pay and board composition. They can also provide voting execution, research, record keeping and other services.

Responsible investors will dedicate time and resources towards making their own informed decisions, rather than solely relying on their adviser's recommendations.

The table below describes how the Scheme's managers use proxy voting advisers.

Why is voting important?

Voting is an essential tool for listed equity investors to communicate their views to a company and input into key business decisions. Resolutions proposed by shareholders increasingly relate to social and environmental issues.

Source: UN PRI

Why use a proxy voting adviser?

Outsourcing voting activities to proxy advisers enables managers that invest in thousands of companies to participate in many more votes than they would without their support.

Managers	Description of use of proxy voting advisers (in the managers' own words)
BlackRock	We use Institutional Shareholder Services' (ISS) electronic platform to execute our vote instructions, manage client accounts in relation to voting and facilitate client reporting on voting. In certain markets, we work with proxy research firms who apply our proxy voting guidelines to filter out routine or non-contentious proposals and refer to us any meetings where additional research and possibly engagement might be required to inform our voting decision.
UBS Global Asset Management	UBS AM retain the services of ISS for the physical exercise of voting rights and for supporting voting research. UBS retain full discretion when determining how to vote at shareholder meetings.

Source: Investment Managers

Significant voting examples

To illustrate the voting activity being carried out on our behalf, we asked the Scheme's investment managers to provide a selection of what they consider to be the most significant votes in relation to the Scheme's funds. A sample of these significant votes can be found in the appendix.

Our managers' engagement activity

Engagement is when an investor communicates with current (or potential) investee companies (or issuers) to improve their ESG practices, sustainability outcomes or public disclosure. Good engagement identifies relevant ESG issues, sets objectives, tracks results, maps escalation strategies and incorporates findings into investment decision-making.

The table below shows some of the engagement activity carried out by the Scheme's material managers. The managers have provided information for the most recent calendar year available. Some of the information provided is at a firm-level i.e. is not necessarily specific to the funds invested in by the Scheme.

Funds	Number of engagements		Themes engaged on at a fund/ firm level
	Fund level	Firm level	
BlackRock - ACS World ESG Equities Tracker Fund - GBP Hedged	597	3,768	Environment - Climate Risk Management Governance - Corporate Strategy; Remuneration; Board Composition and Effectiveness.; Board Effectiveness - Independence/Oversight
BlackRock - Aquila Life Market Advantage Fund	995		Governance - Corporate Strategy; Remuneration; Board Composition & Effectiveness; Board Effectiveness - Independence/Oversight Environment - Climate Risk Management
BlackRock - UK Property Fund*	<i>Not provided</i>		Environment - Climate & Natural Capital Social - Company Impacts on People Governance - Board Quality and Effectiveness. Strategy, Financial & Reporting* - Strategy & Financial Resilience Other - Incentives Value Creation
UBS Global Asset Management - Life Climate Aware World Equity Fund	206	471	Environment - Climate Change Social - Human Capital Management Governance - Remuneration; Board Effectiveness - Independence/Oversight; Board Effectiveness - Diversity
Chorus Capital – Credit Fund V	12	12	Environment - Climate Change; Natural Resource Use/Impact; Pollution, Waste Social - Conduct, Culture and Ethics; Human and Labour Rights
Insight Bond Plus (3 month LIBOR + 2%)	114	2,521	Environment - Climate Change Strategy, Financial & Reporting - Financial Performance; Strategy/Purpose; Capital Allocation; Reporting
PIMCO Low Duration Opportunities Fund	152	1,355	Environment - Climate Change Governance - Board, Management & Ownership Strategy, Financial & Reporting - Capital Allocation; Financial Performance; Strategy/Purpose
CVC - European Direct Lending III Fund			<i>Not provided</i>

Source: Investment Managers.

*The following managers did not provide fund level themes; themes provided are at a firm-level:

- BlackRock - UK Property

Data limitations

At the time of writing, the following managers did not provide all the information we requested:

- BlackRock did provide fund level engagement information for its equity funds but not in line with the best practice industry standard ICSWG reporting guide. Additionally, the manager did not provide sufficient engagement information for the UK Property fund to be included in the statement.
- Due to the difficulty for Private debt managers to obtain engagement data, as at the time of writing, CVC were unable to provide data for the European Direct Lending III Fund. We continue to engage with Private debt managers to support them in providing engagement data for future reporting.

This report does not include commentary on certain asset classes such as liability driven investments, gilts or cash because of the limited materiality of stewardship to these asset classes.

Appendix – Significant Voting Examples

In the table below are some significant vote examples provided by the Scheme's managers. We consider a significant vote to be one which the manager considers significant. Managers use a wide variety of criteria to determine what they consider a significant vote, some of which are outlined in the examples below:

BlackRock - ACS World ESG Equities Tracker Fund - GBP Hedged	Company name	Phillips 66
	Date of vote	15 May 2024
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	<i>Not provided</i>
	Summary of the resolution	Report on Impacts of a Significant Reduction in Virgin Plastic Demand
	How you voted?	Votes against resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	We endeavour to communicate to companies when we intend to vote against management, either before or just after casting votes in advance of the shareholder meeting. We publish our voting guidelines to help clients and companies understand our thinking on key governance matters that are commonly put to a shareholder vote. They are the benchmark against which we assess a company's approach to corporate governance and the items on the agenda to be voted on at the shareholder meeting. We apply our guidelines pragmatically, taking into account a company's unique circumstances where relevant. Our voting decisions reflect our analysis of company disclosures, third party research and, where relevant, insights from recent and past company engagement and our active investment colleagues.
	Rationale for the voting decision	The company already provides sufficient disclosure and/or reporting regarding this issue, or is already enhancing its relevant disclosures
	Outcome of the vote	Fail
	Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	BlackRock's approach to corporate governance and stewardship is explained in our Global Principles. Our Global Principles describe our philosophy on stewardship, including how we monitor and engage with companies. These high-level principles are the framework for our more detailed, market-specific voting guidelines. We do not see engagement as one conversation. We have ongoing direct dialogue with companies to explain our views and how we evaluate their actions on relevant ESG issues over time. Where we have concerns that are not addressed by these conversations, we may vote against management for their action or inaction. Where concerns are raised either through voting or during engagement, we monitor developments and assess whether the company has addressed our concerns.
	On which criteria have you assessed this vote to be most significant?	BIS periodically publishes Vote Bulletins on key votes at shareholder meetings to provide insight into details on certain vote decisions we expect will be of particular interest to clients.

BlackRock - Aquila Life Market Advantage Fund

Company name	Bharti Airtel Limited
Date of vote	24 August 2023
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	<i>Not provided</i>
Summary of the resolution	Approve Revision in Remuneration of Sunil Bharti Mittal as Chairman
How you voted?	Votes against resolution
Where you voted against management, did you communicate your intent to the company ahead of the vote?	We endeavour to communicate to companies when we intend to vote against management, either before or just after casting votes in advance of the shareholder meeting. We publish our voting guidelines to help clients and companies understand our thinking on key governance matters that are commonly put to a shareholder vote. They are the benchmark against which we assess a company's approach to corporate governance and the items on the agenda to be voted on at the shareholder meeting. We apply our guidelines pragmatically, taking into account a company's unique circumstances where relevant. Our voting decisions reflect our analysis of company disclosures, third party research and, where relevant, insights from recent and past company engagement and our active investment colleagues.
Rationale for the voting decision	Remuneration arrangements are poorly structured.
Outcome of the vote	Pass
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	BlackRock's approach to corporate governance and stewardship is explained in our Global Principles. Our Global Principles describe our philosophy on stewardship, including how we monitor and engage with companies. These high-level principles are the framework for our more detailed, market-specific voting guidelines. We do not see engagement as one conversation. We have ongoing direct dialogue with companies to explain our views and how we evaluate their actions on relevant ESG issues over time. Where we have concerns that are not addressed by these conversations, we may vote against management for their action or inaction. Where concerns are raised either through voting or during engagement, we monitor developments and assess whether the company has addressed our concerns.
On which criteria have you assessed this vote to be most significant?	BIS periodically publishes Vote Bulletins on key votes at shareholder meetings to provide insight into details on certain vote decisions we expect will be of particular interest to clients.

UBS Global Asset Management - Life Climate Aware World Equity Fund

Company name	Berkshire Hathaway Inc.
Date of vote	04 May 2024
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	<i>Not provided</i>
Summary of the resolution	Report on Efforts to Measure, Disclose and Reduce GHG Emissions Associated with Underwriting, Insuring, and Investing

How you voted?	Votes supporting resolution
Where you voted against management, did you communicate your intent to the company ahead of the vote?	Company not advised prior to meeting
Rationale for the voting decision	We will support proposals that seek to promote greater disclosure and transparency in corporate environmental policies as long as: a) the issues are not already effectively dealt with through legislation or regulation; b) the company has not already responded in a sufficient manner; and c) the proposal is not unduly burdensome or overly prescriptive.
Outcome of the vote	Fail
Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	Given strong shareholder opposition, we shall monitor further developments by the company.
On which criteria have you assessed this vote to be most significant?	Aggregate percentage of votes against management exceeded 20% of votes cast.

Source: Investment Managers