

Engagement Policy Implementation Statement (“EPIS”)

Society of Radiographers Pension & Life Assurance Scheme (the “Scheme”)

Scheme Year End – 30 June 2023

The purpose of the EPIS is for us, the Trustees of the Society of Radiographers Pension & Life Assurance Scheme, to explain what we have done during the year ending 30 June 2023 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 good evidence of voting and/or engagement activity, and the activities completed by our managers align with our stewardship expectations. We believe our voting rights have been implemented effectively on our behalf.

We delegate the management of the Scheme’s assets to our fiduciary manager, Aon Investments Limited (“AIL”). We believe the activities completed by our fiduciary manager to review the underlying managers’ voting and engagement policies, and activities align with our stewardship expectations.

Our standard practice is to invite AIL to attend at least one meeting per year. Based on the work we have done for the EPIS, we will continue to engage with AIL to get a better understanding of how it is monitoring voting practices and engaging with underlying managers on our behalf, and how these help us fulfil our Responsible Investment policies as set out in the SIP.

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 our policy. 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 good evidence of voting and/or 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 and received updates on important issues from our investment adviser, Aon. In particular, we received Environmental Social Governance ("ESG") ratings from Aon for the funds the Scheme is invested in where available.

The Scheme's stewardship policy can be found in the SIP:
<https://www.sor.org/about/society-of-radiographers/statutory-documents/society-of-radiographers-life-assurance-pension-sc>

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 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

Our fiduciary manager's engagement activity

We delegate the management of the Scheme's defined benefit assets to AIL. AIL manage the Scheme's assets in a range of funds which can include multi-asset, multi-manager and liability matching funds. AIL select the underlying investment managers on our behalf.

We delegate monitoring of ESG integration and stewardship of the underlying managers to AIL.

Over the year, AIL held several engagement meetings with many of the underlying managers in its strategies. AIL discussed ESG integration, stewardship, climate, biodiversity and modern slavery with the investment managers. AIL provided feedback to the managers after these meetings with the aim of improving the standard of ESG integration across its portfolios.

Over the year, AIL engaged with the industry through white papers, working groups, webinars and network events, as well as responding to multiple consultations.

In 2021, AIL committed to achieve net zero emissions by 2050, with a 50% reduction by 2030 for its fully delegated clients' portfolios and defined contribution default strategies (relative to baseline year of 2019).

AIL also successfully renewed its signatory status to the 2020 UK Stewardship Code.

What is fiduciary management?

Fiduciary management is the delegation of some, or all, of the day-to-day investment decisions and implementation to a fiduciary manager. But the trustees still retain responsibility for setting the high-level investment strategy.

In fiduciary management arrangements, the trustees will often delegate monitoring ESG integration and asset stewardship to its fiduciary manager.

Our underlying 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 June 2023.

	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
LGIM – Multi Factor Equity Fund	11,596	99.9%	20.7%	0.1%
BlackRock – Emerging Markets Equity Fund	31,150	97.0%	11.0%	3.0%

Source: Managers

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.

	Description of use of proxy voting advisers (in the managers' own words)
LGIM	LGIM's Investment Stewardship team uses Institutional Shareholder Services' ("ISS") '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.
BlackRock	While we subscribe to research from the proxy advisory firms ISS and Glass Lewis, it is just one among many inputs into our vote analysis process, and we do not blindly follow their recommendations on how to vote. We primarily use proxy research firms to synthesise corporate governance information and analysis into a concise, easily reviewable format so that our investment stewardship analysts can readily identify and prioritise those companies where our own additional research and engagement would be beneficial. Other sources of information we use include the company's own reporting, our engagement and voting history with the company, and the views of our active investors, public information and ESG research.

Source: Managers

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.

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 underlying 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-level
	Fund specific	Firm level	
Abrdn - Climate Transition Bond Fund	44	2,484	Environment, Climate Corporate Governance, Labour Management, Corporate Behaviour, Human Rights and Stakeholders Strategy Financial and Reporting - Capital allocation, Financial performance, Strategy/purpose, Risk management (e.g. operational risks, cyber/information security, product risks)
Aegon - European Asset Backed Securities Fund	132	441	Environment - Climate change Social Governance Others - General disclosure
BlackRock - Emerging Markets Equity Fund	450	3,886	Environment - Climate Risk Management, Operational Sustainability, Environmental Impact Management Social - Human Capital Management, Social Risks and Opportunities, Supply Chain Labour Management Governance - Board Composition and Effectiveness, Business Oversight/Risk Management, Corporate Strategy
LGIM - Multi Factor Equity Fund	279	1,224	Environment - Climate change Social - Human capital management (e.g., inclusion & diversity, employee terms, safety), Inequality, Public health Governance - Board effectiveness, Diversity, Board effectiveness - Other, Leadership - Chair/CEO, Remuneration Strategy, Financial and Reporting - Strategy/purpose, ESG Scores, and others.
Robeco - Sustainable Development Goals ("SDG") Credit Income Fund	11	252	Environment - Climate change, Pollution, Waste Social - Human and labour rights (e.g., supply chain rights, community relations) Governance - Board effectiveness – Other Others - SDG engagement

Source: Managers

Data limitations

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

- BlackRock and LGIM provided fund level engagement information but not in the industry standard template.
- Aegon's description of its fund-level engagement themes was limited.

This report does not include commentary on certain asset classes including liability driven investments 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.

LGIM - Multi Factor Equity Fund	Company name	Alphabet Inc.
	Date of vote	2 June 2023
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.7%
	Summary of the resolution	Approve Recapitalisation Plan for all Stock to Have One-vote per Share
	How you voted	For (against management recommendation)
	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.
	Rationale for the voting decision	Shareholder Resolution - Shareholder rights: A vote in favour is applied as LGIM expects companies to apply a one-share-one-vote standard.
	Outcome of the vote	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 monitor the board's response to the relatively high level of support received for this resolution.
	On which criteria have you assessed this vote to be "most significant"?	High Profile meeting: This shareholder resolution is considered significant due to the relatively high level of support received.
BlackRock - Emerging Markets Equity Fund	Company name	Banco de Chile SA
	Date of vote	23-March-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	Elect Andronico Luksic Craig as Director
	How you voted	Against
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	We endeavor 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	BlackRock considers directors serving on more than five boards to be overcommitted. Accordingly, we did not support the election of director Andrónico Luksic Craig as he serves on seven public company boards already. Our concern is that when directors serve on too many boards, they may not have capacity to fulfil their duties on each, particularly in times of crisis.
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?	<p>We are encouraged by the recent progress the company has made towards enhancing their disclosures and aligning their operational processes with what we have observed to be global governance best practices. As Latin America continues to be seen by international investors as a portfolio growth opportunity, it will remain important for issuers in the region to enhance their disclosures and practices to facilitate market participation, and allow international investors to make better informed voting decisions.</p> <p>BlackRock will continue to monitor Banco de Chile's steps to enhancing their corporate governance structures, including board quality and director commitments, as well as the region's progress towards publishing better disclosures.</p>
On which criteria have you assessed this vote to be "most significant"?	<i>Not provided</i>

Source: Managers