

Implementation Statement

Covering 1 April 2024 to 31 March 2025

1. Background

The Trustees of the Commonwealth War Graves Commission Superannuation Scheme (the "Scheme") are required to produce a yearly statement to set out how, and the extent to which, the Trustees have followed the Scheme's Statement of Investment Principles ("SIP") during the previous Scheme year, in relation to engagement and voting behaviour during the year, either by or on behalf of the Trustees, or if a proxy voter was used.

This statement should be read in conjunction with the SIP and has been produced in accordance with **The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018 and the subsequent amendment in The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019.**

A copy of the most recent SIP can be found at <https://www.cwgc.org/who-we-are/pension-scheme/>

2. Voting and Engagement

The Trustees are keen that their managers are signatories of the UK Stewardship Code, which is the case for all managers.

All of the Trustees' holdings are within pooled funds and the voting rights in the underlying investments are exercised by the companies that manage the funds. Therefore, the Trustees are not able to direct how votes are exercised and consequently have not directly used proxy voting services over the year.

The Scheme was invested in the following funds at the scheme year end:

- LGIM All World Equity Fund
- BNY Mellon Real Return Fund
- Schroders Life Diversified Growth Fund
- Insight Broad Opportunity Fund
- LGIM Synthetic Leveraged Equity Fund
- LGIM LDI Matching Core Long Fund - Nominal
- LGIM LDI Matching Core Long Fund - Real
- LGIM LDI Matching Core Short Fund – Real
- LGIM LDI Matching Core Short Fund - Nominal
- Threadneedle Property Unit Trust
- LGIM Absolute Return Bond Fund

The underlined funds do not hold physical equities and hence there are no voting rights and voting data for the Trustee to report on.

3. Description by Investment Managers of their voting processes

a. LGIM

LGIM describe their voting process as follows:

"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."

b. Schroders

Schroders describe their voting process as follows:

“As active owners, we recognise our responsibility to make considered use of voting rights. We therefore vote on all resolutions at all AGMs/EGMs globally unless we are restricted from doing so (e.g. as a result of share blocking).

We aim to take a consistent approach to voting globally, subject to regulatory restrictions that is in line with our Proxy Voting Policy.

The overriding principle governing our voting is to act in the best interests of our clients. Where proposals are not consistent with the interests of shareholders and our clients, we will vote against resolutions. We may abstain where mitigating circumstances apply, for example where a company has taken steps to address shareholder issues.

We evaluate voting resolutions arising at our investee companies and, where we have the authority to do so, vote on them in line with our fiduciary responsibilities in what we deem to be the interests of our clients. Our Corporate Governance specialists assess each proposal, and consider a range of factors, including the circumstances of each company, long-term performance, governance, strategy and the local corporate governance code. Our specialists will draw on external research, such as that provided by Glass Lewis, the Investment Association's Institutional Voting Information Services and public reporting. Our own research is also integral to our process; this will be conducted by both our financial and Sustainable Investment analysts. For contentious issues, our Corporate Governance specialists consult with the relevant analysts and portfolio managers to seek their view and better understand the corporate context.

We also engage with companies throughout the year via regular face-to-face meetings, written correspondence, emails, phone calls and discussions with company advisors and stakeholders.

In 2024, we voted on approximately 6700 meetings and 99% of total resolutions and instructed a vote against the board at approximately 54% of meetings.

Glass Lewis (GL) acts as our one service provider for the processing of all proxy votes in all markets. GL delivers vote processing through its Internet-based platform Viewpoint. Schroders receives recommendations from GL in line with our own bespoke guidelines, in addition, we receive GL's Standard research. This is complemented with analysis by our in house ESG specialists and where appropriate with reference to financial analysts and portfolio managers.

GL automatically votes all our holdings of which we own less than 0.5% (voting rights) excluding merger, acquisition and shareholder resolutions. This ensures consistency in our voting decisions as well as creating a more formalised approach to our voting process.”

c. Insight

Insight describe their voting process as follows:

“Insight retains the services of Minerva Analytics (Minerva) for the provision of proxy voting services and votes at meetings where it is deemed appropriate and responsible to do so. Minerva provides research expertise and voting tools through sophisticated proprietary IT systems allowing Insight to take and demonstrate responsibility for voting decisions. Independent corporate governance analysis is drawn from thousands of market, national and international legal and best practice provisions from jurisdictions around the world. Independent and impartial research provides advance notice of voting events and rules-based analysis to ensure contentious issues are identified. Minerva Analytics analyses any resolution against Insight-specific voting policy templates which will determine the direction of the vote. In addition, please refer to our Proxy Voting Policy, which sets out in detail our approach to voting on resolutions:

[proxy-voting-policy-2025.pdf](#)”

d. BNY Mellon

BNY Mellon ("Newton") describe their voting process as follows:

"Newton has established overarching stewardship principles which guide our ultimate voting decision, based on guidance established by internationally recognized governance principles including the OECD Corporate Governance Principles, the ICGN Global Governance Principles, the UK Investment Association's Principles of Remuneration and the UK Corporate Governance Code, in addition to other local governance codes. All voting decisions are taken on a case-by-case basis, reflecting our investment rationale, engagement activity and the company's approach to relevant codes, market practices and regulations. These are applied to the company's unique situation, while also taking into account any explanations offered for why the company has adopted a certain position or policy. It is only in the event that we recognise a material conflict of interest that we apply the vote recommendations of our third-party voting administrator.

Newton seeks to make proxy voting decisions that are in the best long-term financial interests of its clients and which seek to support investor value by promoting sound economic, environmental, social and governance policies, procedures and practices through the support of proposals that are consistent with following four key objectives:

- To support the alignment of the interests of a company's management and board of directors with those of the company's investors;
- To promote the accountability of a company's management to its board of directors, as well as the accountability of the board of directors to the company's investors;
- To uphold the rights of a company's investors to effect change by voting on those matters submitted for approval; and
- To promote adequate disclosure about a company's business operations and financial performance in a timely manner.

In general, voting decisions are taken consistently across all Newton's clients that are invested in the same underlying company. This is in line with Newton's investment process that focuses on the long-term success of the investee company. Further, it is Newton's intention to exercise voting rights in all circumstances where it retains voting authority.

All voting opportunities are communicated to Newton by way of an electronic voting platform.

The Responsible Investment team reviews all resolutions for matters of concern. Any such contentious issues identified may be referred to the appropriate global fundamental equity analyst or portfolio manager for comment. Where an issue remains contentious, Newton may also decide to confer or engage with the company or other relevant stakeholders.

An electronic voting service is employed to submit voting decisions. Each voting decision is submitted via the electronic voting service by a member of the Responsible Investment team but can only be executed by way of an alternate member of the team approving the vote within the same system.

Members of certain BNY Mellon operations teams responsible for administrative elements surrounding the exercise of voting rights by ensuring the right to exercise clients' votes is available and that these votes are exercised."

4. Summary of voting behaviour over the year

A summary of voting behaviour over the period is provided in the tables below

	Summary Info
Manager name	LGIM
Fund name	All World Equity Index Fund
Approximate value of Trustees' assets	c. £6.6m as at 31 March 2025
Number of equity holdings in the fund	4,263
Number of meetings eligible to vote	6,611
Number of resolutions eligible to vote	63,689
% of resolutions voted	99.82%
% of resolutions voted with management	79.48%
% of resolutions voted against management	18.99%
% of resolutions abstained	1.52%
% of meetings with at least one vote against managements	59.87%
% of resolutions voted contrary to the proxy adviser recommendation	10.36%

	Summary Info
Manager name	Schroders
Fund name	Life Diversified Growth Fund
Approximate value of trustees' assets	c.£5.9m as at 31 March 2025
Number of meetings eligible to vote	1,297
Votable Proposals	16,606
Proposals Voted	16010 96.41%
FOR Votes	14328 89.49%
AGAINST Votes	1682 10.51%
ABSTAIN Votes	21 0.13%
Contrary to Proxy adviser	1500 9.37%
Meetings voted at least once AGAINST Management	697 54.93%

	Summary Info
Manager name	Insight
Fund name	Broad Opportunities Fund
Approximate value of trustees' assets	c. £5.8m as at 31 March 2025
Number of equity holdings in the fund	11
Number of meetings eligible to vote	11
Number of resolutions eligible to vote	164
% of resolutions voted	100.00%
% of resolutions voted with management	100.00%
% of resolutions voted against management	0.00%
% of resolutions abstained	0.00%
% of resolutions voted, for which at least one vote was against	0.00%

	Summary Info
Manager name	Newton Investment Management Limited
Fund name	BNY Mellon Real Return Fund
Approximate value of trustees' assets	c. £5.9m as at 31 March 2025
Number of equity holdings in the fund	64
Number of meetings eligible to vote	75
Number of resolutions eligible to vote	1,075
% of resolutions voted	99.3%
% of resolutions voted with management	94.6%
% of resolutions voted against management	5.4%
% of resolutions abstained	0.00%
% of meetings with at least one vote against managements	35.0%
% of resolutions voted contrary to the proxy adviser recommendation	4.9%

5. Most significant votes over the year

a. LGIM

Commentary on the most significant votes over the period is set below.

In determining significant votes, LGIM's Investment Stewardship team takes into account the criteria provided by the Pensions & Lifetime Savings Association consultation (PLSA). 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 LGIM's annual Stakeholder roundtable event, or where LGIM note 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 LGIM engagement campaign, in line with LGIM Investment Stewardship's 5-year ESG priority engagement themes.

LGIM provide information on significant votes in the format of detailed case studies in our quarterly ESG impact report and annual active ownership publications.

Most Significant votes for the LGIM All World Equity Index Fund:

Company name	Microsoft Corporation	Amazon.com, Inc.
Date of vote	10/12/2024	22/05/2024
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	3.9%	2.2%
Summary of the resolution	Resolution 9: Report on AI Data Sourcing Accountability	Resolution 6: Report on Customer Due Diligence
How you voted	For	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 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	Shareholder Resolution - Governance: A vote FOR this resolution is warranted as the company is facing increased legal and reputational risks related to copyright infringement associated with its data sourcing practices. While the company has strong disclosures on its approach to responsible AI and related risks, shareholders would benefit from greater attention to risks related to how the company uses third-party information to train its large language models	Shareholder Resolution - Human Rights: A vote in favour is applied as enhanced transparency over material risks to human rights is key to understanding the company's functions and organisation. While the company has disclosed that they internally review these for some products and has utilised appropriate third parties to strengthen their policies in related areas, there remains a need for increased, especially publicly available, transparency on this topic.
Outcome of the vote	Fail	N/A
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.
On which criteria (as explained in the cover email) 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.	Pre-declaration and High-Profile Meeting: This shareholder resolution is considered significant as one of the largest companies and employers not only within its sector but in the world, we believe that Amazon's approach to human capital management issues has the potential to drive improvements across both its industry and supply chain. LGIM voted in favour of this proposal last year and continue to support this request, as enhanced transparency over material risks to human rights is key to understanding the company's functions and organisation. While the company has disclosed that they internally review these for their products (RING doorbells and

		Rekognition) and has utilised appropriate third parties to strengthen their policies in related areas, there remains a need for increased, especially publicly available, transparency on this topic. Despite this, Amazon's coverage and reporting of risks falls short of our baseline expectations surrounding AI. In particular, we would welcome additional information on the internal education of AI and AI-related risks.
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b. Schroders

Schroders believe that all resolutions when we vote against the board's recommendations should be classified as a significant vote, for example, votes against the re-election of directors, on executive remuneration, on material changes to the business (such as capital structure or M&A), on climate matters and on other environmental or social issues may all be more or less significant to different client stakeholders.

Most Significant votes for Schroders Diversified Growth Fund

Schroders significant vote criteria is broad and encompasses all votes against management. Specific votes were not provided at the time of completing the report.

c. Insight

Insight "most significant" votes are defined as follows:

"Minerva Analytics analyses any resolution against Insight-specific voting policy templates which will determine the direction of the vote. Minerva Analytics monitors company meeting agendas and items to be voted on. Minerva reviews each vote against Insight's specific criteria and provides a recommendation for each item. Insight votes in line with the recommendations of the proxy voting agent and documents where it makes a voting decision against the recommendation. The rationale for, abstaining or voting against the voting recommendation is retained on the Minerva platform on a case-by-case basis.

As mentioned previously, the strategy invests in listed closed-end investment companies with a focus on cash-generative investments in social infrastructure, renewable energy and asset-backed aviation finance. The corporate structure of closed-end investment companies held in the strategy includes an independent board which is responsible for providing an overall oversight function on behalf of all shareholders. This governance framework includes a range of aspects including setting out investment objectives, and on an ongoing basis ensuring that the underlying strategy and portfolio activities within it remain within the agreed framework. This governance framework, that is with an independent board acting on behalf of shareholders, generally limits contentious issues that can arise with other listed entities. As a result, we have voted in line with recommendations of our proxy voting provider on all occasions."

Most Significant votes for Insight Broad Opportunity Fund

Company name	Greencoat UK Wind plc	Foresight Environmental Assets Limited
Date of vote	18/04/2024	06/09/2024
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	1.1%	0.6%
Summary of the resolution	To approve that the Company cease to continue its business as a closed-ended investment company	To approve that the Company ceases to continue in its present form
How you voted	Against	Against
Where you voted against management, did you communicate your intent to the company ahead of the vote?	n/a	n/a
Rationale for the voting decision	Over 2023 financial year, the company's shares traded at an average discount of 10.5% to the prevailing NAV/share, leading to a continuation vote to be proposed as per the company's Articles of Association. We voted against the proposal for the following reasons - the company was formed in 2013 to deliver long term shareholder returns through the ownership of UK wind assets. It has consistently met its objectives of providing dividend growth and NAV preservation, both in real terms. The strategy remains valid and attractive in the longer term. In response to higher interest rates, the company has responded by increasing the return to shareholders through higher portfolio discount rate, increasing dividends from underlying cash flows and implementing NAV accretive share buybacks.	Over 2023-24 financial year, the company's shares traded at an average discount of more than 10% to the prevailing NAV/share, leading to a continuation vote to be proposed as per the company's Articles of Association. We voted against the resolution for the following reasons - the company aims to provide stable, long-term inflation linked cash flows through exposure to a diversified mix of environmental infrastructure assets across the UK and mainland Europe. Since inception over 10 years, the company has had a consistent record of sustainable and progressive dividends, and an overall conservative approach to power price management. Over the period the, the company has continued to take steps to reduce the discount to NAV. As part of this it has disposed certain assets at premium to carrying value, reduced RCF borrowings, allocate capital towards NAV accretive share buybacks and commit to higher potential return generation assets. The company has also been working to improve its marketability amongst investors. We believe that these initiatives could help in reducing the share price discount in the future. As such, the strategy remains

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		valid and attractive from a longer-term perspective
Outcome of the vote	88.69% of votes cast against the resolution i.e. for continuation of the company	92.73% of votes cast against the resolution i.e. for continuation of the company
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	A vote in favour of discontinuation, would require the company's Board to forward proposals for the restructuring or reorganisation of the company. We plan to maintain regular discussions with the company, its board and advisers in order to monitor the appropriateness of the strategy in our portfolios.	A vote in favour of discontinuation, would require the company's Board to forward proposals for the restructuring or reorganisation of the company. We have continued to maintain regular discussions with the company, its Board and advisers to monitor the impact of the above initiatives on shareholder returns
On which criteria (as explained in the cover email) have you assessed this vote to be "most significant"?	We assessed the proposed discontinuation of the company to be significant. While some of the share price weakness can be attributed to non-company specific factors, the company has continued to implement steps which could help in reducing discount to NAV and improve shareholder returns in the future. Following the vote, the company updated its fee structure basing it on the lower of NAV and market capitalisation, providing a stronger alignment with shareholders.	We assessed the proposed discontinuation of the company to be significant. While some of the share price weakness can be attributed to non-company specific factors, the company has continued to implement steps which could help in reducing discount to NAV and improve shareholder returns in the future. Additionally, the company has also reduced its fees as part of these measures to improve shareholders returns

d. BNY Mellon

BNY Mellon "most significant" votes are defined as follows:

"We regard as material issues all votes against management, including where we support shareholder resolutions that the company's management are recommending voting against. As active managers, we invest in companies that we believe will support the long term performance objectives of our clients. By doing so, we are making a positive statement about the business, the management of risks and the quality of management.

Voting against management, therefore, is a strong statement that we think there are areas for improvement. As such, by not supporting management, we think that this is material, which is different to a passive investor where there is no automatic assumption of a positive intent in ownership. As such, we report publicly our rationale for each instance where we have voted against the recommendation of the underlying company's management.

At the fund level, we consider each instance of voting against management to be significant but if required to prioritise these instances, we take an objective approach that includes the fund's weighting in each security."

Most Significant votes for BNY Mellon Real Return Fund

Company name	AstraZeneca PLC	Shell Plc
Date of vote	11/04/2024	21/05/2024
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	1.0%	1.8%
Summary of the resolution	Amend Performance Share Plan 2020	Advise Shell to Align its Medium-Term Emissions Reduction Targets Covering the Greenhouse Gas (GHG) Emissions of the Use of its Energy Products (Scope 3) with the Goal of the Paris Climate Agreement
How you voted	For	Against
Where you voted against management, did you communicate your intent to the company ahead of the vote?	NA	NA
Rationale for the voting decision	We decided to support the CEO pay package based on the CEO's proven track record of creating significant value for shareholders and turning around a company once considered beyond recovery. For many years, he has been compensated below global peers in the industry, despite his accomplishments, and has also hinted at possibly leaving previously. At this juncture, where execution is critical, we want to avoid any potential disruptions that a change in leadership might bring. Our decision to support CEO pay aligns with our broader investment case for AZ, as we believe under Pascal's leadership, the company is well-positioned to continue executing on its strategic initiatives and delivering value to shareholders.	We did not support a shareholder proposal for a report on GHG (greenhouse gas) emission-reduction targets aligned with the Paris Agreement as we believed the company has disclosed enough information for shareholders to assess the related risks. Moreover, the company has disclosed a partial Scope 3 target which is considered an appropriate response to the proponent's asks.
Outcome of the vote	65.3% For	81.4% Against
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	The level of support behind this vote signifies shareholder confidence in executive leadership at this juncture. It also brings the company closer to global peers regarding executive pay. We will continue to monitor performance to ensure it aligns with our interests as shareholders.	While we do find some merits to the proponent's asks and legitimate concerns, aligning Scope 3 targets at Shell to a 1.5 degree scenario would mean a significant loss of customers to competitors. Such a decision is best in the hands of management, and the disclosure of a partial Scope 3 target shows some responsiveness from the company to our concerns, tackling mainly the emissions it directly has control of. Shareholders have signalled a significant buy-in to management's strategy

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On which criteria have you assessed this vote to be "most significant"?	We deem this vote as significant due to its strategic importance, impact on shareholder value, risk of leadership disruption, industry benchmarking, and strong shareholder support. It aligns with our investment case, emphasizing the need to retain and compensate effective leadership.	As a significant GHG emitter, it is critical for Shell to have a credible transition plan
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