

Engagement Policy Implementation Statement (“EPIS”)

University of Newcastle upon Tyne Retirement Benefits Plan (1971) For Non-Academic Staff (the “Plan”)

Plan Year End – 31 July 2025

The purpose of the EPIS is for us, the Trustee Directors of the University of Newcastle upon Tyne Retirement Benefits Plan (1971) For Non-Academic Staff, to explain what we have done during the year ending 31 July 2025 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 Plan’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 Plan’s material investment managers were able to disclose good evidence of voting and engagement activity, and the activities completed by our managers broadly aligns with our stewardship priorities and Responsible Investment policy, set out in our SIP.

Our investment managers provided us with high-quality engagement information that was sufficient for us to deduce that the policies in our SIP had been implemented effectively and we are comfortable that our managers have carried our appropriate stewardship activity in relation to our stewardship priority of climate change risks; strong standards of corporate governance; and wider social impact.

We believe our voting rights have been implemented effectively on our behalf. However, there are areas where we would like to see improvements in disclosures in future years, as set out in our engagement action plan. We continue to invite our investment managers to investment sub-committee meetings on a rolling basis, to engage with them on stewardship issues and hear what they are doing in practice.

How voting and engagement policies have been followed

The Plan is invested entirely in pooled funds, and so the responsibility for voting and engagement is delegated to the Plan'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 Plan year and in our view, most of the investment managers were able to disclose good evidence of voting and engagement activity. More information on the stewardship activity carried out by the Plan's investment managers can be found in the following sections of this report.

Over the reporting year, we monitored the performance of the Plan'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 Plan is invested in where available.

We meet with the Plan's investment managers on a periodic basis and receive updates on performance, strategic positioning and stewardship. During the year, we received updates from C Worldwide Asset Management and BlueBay at investment sub-committee ("ISC") meetings, including updates on how the managers integrate ESG into their investment strategies.

The Trustee also conducted an exercise to formalise its responsible investment policy and this policy is shared with prospective new managers when considering manager appointments. This is in line with our stewardship priorities.

The Plan's stewardship policy can be found in the SIP:
<https://www.ncl.ac.uk/foi/publication-scheme/policies/>

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. BlackRock acquired Global Infrastructure Partners ("GIP") in October 2024. The manager did not provide engagement statistics for the GIP funds over the relevant reporting period, stating the 2024 sustainability report would be available later in 2025. We will ask our investment adviser to engage with the manager to encourage more detailed monitoring of its engagements at the fund level in future.
2. As part of every new manager selection, we will continue to actively consider the prospective managers' ESG credentials to ensure they are aligned with the Plan's policies.
3. We will continue to invite our existing investment managers to investment sub-committee meetings on a periodic basis to get a better understanding of their voting and engagement practices, and how these help us fulfil our stewardship policies.

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 and 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

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 Plan's investments is an important factor in deciding whether a manager remains the right choice for the Plan.

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

Voting statistics

The table below shows the voting statistics for the Plan's material fund with voting rights for the year to 30 June 2025. Managers collate voting information on a quarterly basis. The voting information provided is for the year to 30 June 2025 which broadly matches the Plan year.

| Funds | Number of resolutions eligible to vote on | % of resolutions voted | % of votes against management | % of votes abstained from |
|--|---|------------------------|-------------------------------|---------------------------|
| C Worldwide Asset Management - Global Equities | 511 | 100.0% | 7.6% | 0.0% |

Source: Manager. 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 Plan's manager uses proxy voting advisers.

| Managers | Description of use of proxy voting adviser (in the managers' own words) |
|------------------------------|--|
| C Worldwide Asset Management | We use Glass Lewis as the proxy voting service provider. In practice, this means that we receive notice of all ballots in the investee companies and research and vote recommendations reflecting our voting policy directions from the proxy voting service provider. |

Source: Manager

Significant voting examples

To illustrate the voting activity being carried out on our behalf, we asked the Plan's investment manager to provide a selection of what it considers to be the most significant votes in relation to the Plan's fund. A sample of these significant votes can be found in the appendix. Where possible, we have focussed on votes that have relevance to climate change risks; strong standards of corporate governance; and wider social impact, in line with our stewardship priorities.

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.

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 Plan'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 Plan.

Where engagement activity related to our stewardship priority of climate change risks; strong standards of corporate governance; and wider social impact, we have highlighted this in **bold text**.

| Funds | Number of engagements | | Themes engaged on at a fund level |
|---|-----------------------|------------|--|
| | Fund level | Firm level | |
| BlueBay - Total Return Credit Fund | 205 | >1,800 | Environment - Climate Change, Carbon Footprint, Energy Consumption Social - Conduct, Culture and Ethics, Human and Labour Rights and Human Capital Management Governance - Board effectiveness - Independence or Oversight Strategy, Financial & Reporting - Risk Management; Other - Other |
| C Worldwide Asset Management - Global Equities | 38 | 329 | Environment - Climate Change; Natural resource use/impact, Pollution and Waste Social - Human Capital Management, Human and Labour Rights Governance - Board effectiveness - Diversity Strategy, Financial & Reporting - Strategy/Purpose; Financial Performance; Risk Management; Capital Allocation |
| In AIL's Sub Fund 2: | | | |
| Aegon - European Asset Backed Securities Fund | 115 | 422 | Environment - Climate Change; Natural resource use/impact, Pollution and Waste Social - Human and Labour Rights; Human Capital Management, Inequality and Public Health Governance – Remuneration; Shareholders Rights, Board Diversity and Independence Oversight Other - General Disclosure |
| M&G Investments - Sustainable Total Return Credit Investment Fund | 12 | 406 | Environment - Net Zero/Decarbonisation; Nature and Biodiversity; Climate Change; Climate Action 100+ Specific Engagements Social - Diversity & Inclusion |
| BlackRock - GIP Funds II & III* | <i>Not provided</i> | 3,384 | Environment - Climate Risk Management, Biodiversity, Deforestation/Land use Social - Human Capital Management; Diversity and Inclusion, Health and Safety, Human Rights and Indigenous Peoples Rights Governance - Corporate Strategy; Board Composition and Effectiveness; Remuneration, Corporate Strategy, Cybersecurity and Data Privacy. |

| | | | |
|--|----|-------|--|
| Insight - Liquid ABS Fund* | 40 | 1,922 | Environment - Climate Change, Natural Resource Use/Impact, Pollution, Waste and Antimicrobial Resistance Social - Human Capital Management, Conduct, Culture and Ethics, Human and Labour Rights, Inequality and Public Health. Governance - Shareholders Rights, Remuneration and Board Independence and Oversight. Strategy, Financial & Reporting - Strategy/Purpose; Financial Performance; Reporting Other - ESG Controversies |
| M&G - Alpha Opportunities Fund | 7 | 406 | Environment - Net Zero/Decarbonisation; Climate Change; Nature and Biodiversity Social - Human Capital Management; Diversity & Inclusion Governance - Board effectiveness; Independence or Oversight Remuneration |
| Threadneedle - Property Unit Trust ("TPUT")* | | 942 | Environment - Climate Change, Natural Resource Use/Impact, Pollution and Waste Social - Human Capital Management; Human and Labour Rights, Conduct, Culture and Ethics, Inequality and Public Health. Governance - Leadership - Chair/CEO; Board Effectiveness, Diversity, Independence and Oversight |

Source: Managers.

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

- BlackRock
- Insight
- Threadneedle

Data limitations

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

- BlackRock did not provide fund-level engagement information for GIP Funds II & III. The manager outlined it takes a holistic approach to engaging with portfolio companies throughout its ownership and this is a continuous and fulsome process that is not demarcated by themes or instances of engagement (i.e. if the manager is working with its portfolio companies to implement certain practices or goals, it would not consider specific "instances" of engagement, but rather, track the applicable progress/status at a given point). As a result, the manager was unable to directly respond to the requested questionnaire.
- Threadneedle did not provide fund-level engagement information. The manager stated that the investments are in direct property and cannot be tracked to provide engagement data.
- Insight did not provide fund level engagement themes. The manager stated that it does not track this data for the ABS fund. We acknowledge that this is typical of this type of mandate.

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. Further, this report does not include the additional voluntary contributions ("AVCs") due to the relatively small proportion of the Plan's assets that are held as AVCs.

Appendix – Significant Voting Examples

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

| | | |
|---|---|--|
| C Worldwide Asset Management - Global Equities | Company name | Amazon.com Inc. |
| | Date of vote | May 2025 |
| | Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio) | 5.6 |
| | Summary of the resolution | Shareholder Proposal Regarding Report on Working Conditions |
| | How you voted? | Votes supporting resolution |
| | Where you voted against management, did you communicate your intent to the company ahead of the vote? | Not provided |
| | Rationale for the voting decision | We voted in favour of this resolution and against management as per previous meetings, engagement with the company throughout the years, and in light of troubling reports and allegations concerning the company's working conditions, and the legal, reputational and regulatory ramifications of such reports, we believe that additional, independent scrutiny on this matter is warranted. |
| | 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? | N/A |
| | On which criteria have you assessed this vote to be most significant? | This vote was deemed "most significant" because it involves important environmental, social, and governance (ESG) considerations. We carefully assess these factors as they can influence the company's long-term sustainability and stakeholder relationships. While each proposal is evaluated in its specific context, ESG-related issues often carry weight due to their broader impact on the company's strategic direction and ethical responsibilities. |
| C Worldwide Asset Management - Global Equities | Company name | Microsoft Corporation |
| | Date of vote | December 2024 |
| | Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio) | 6.0 |
| | Summary of the resolution | Shareholder Proposal Regarding Report on AI Misinformation and Disinformation |
| | How you voted? | Votes supporting resolution |
| | Where you voted against management, did you communicate your intent to the company ahead of the vote? | Not provided |
| | Rationale for the voting decision | After a similar proposal was submitted at last year's AGM, the Company published its inaugural Responsible AI Transparency Report. Additionally, it publishes a broad set of |

reports on its efforts to address misinformation and disinformation as a signatory to both the European Code of Practice on Disinformation and the Australian Code of Practice for Disinformation and Misinformation. However, we believe that there are certain gaps in the Company's reporting on this issue, particularly around the effectiveness of efforts to mitigate misinformation and disinformation. As such, we believe the Company could reasonably expand its disclosure to include a more specific discussion concerning how it is mitigating risks to its operations and finances as a result of misinformation and disinformation generated via artificial intelligence.

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? N/A

On which criteria have you assessed this vote to be most significant? This vote was deemed "most significant" because it involves important environmental, social, and governance (ESG) considerations. We carefully assess these factors as they can influence the company's long-term sustainability and stakeholder relationships. While each proposal is evaluated in its specific context, ESG-related issues often carry weight due to their broader impact on the company's strategic direction and ethical responsibilities.

C Worldwide Asset Management - Global Equities

Company name Procter & Gamble Co.

Date of vote October 2024

Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio) 2.5

Summary of the resolution Shareholder Proposal Regarding Median Gender and Racial Pay Equity Report

How you voted? Votes supporting resolution

Where you voted against management, did you communicate your intent to the company ahead of the vote? Not provided

Rationale for the voting decision P&G provides sufficient information regarding its review of pay equity, including disclosure of its 2023 pay equity analysis for its global and U.S. workforce. P&G states that based on audits it conducted over the last year in the U.S., Canada, Mexico, Germany, UK, Switzerland, Australia, and several other countries with statistically significant male and female populations, P&G has confirmed that it pays equitably for similar roles and similar performance, regardless of gender or ethnicity. Further, in response to this proposal, P&G affirms that it will continue to publicly report annually its adjusted pay gap for gender globally and for race/ethnicity in the U.S.

Outcome of the vote Fail

Implications of the outcome eg were there any lessons learned and what likely future steps will N/A

you take in response to the outcome?

On which criteria have you assessed this vote to be most significant?

This vote was deemed "most significant" because it involves important environmental, social, and governance (ESG) considerations. We carefully assess these factors as they can influence the company's long-term sustainability and stakeholder relationships. While each proposal is evaluated in its specific context, ESG-related issues often carry weight due to their broader impact on the company's strategic direction and ethical responsibilities.

Source: Manager