

THE TRUSTEES AND GUARDIANS OF THE SHAKESPEARE'S BIRTHPLACE RETIREMENT BENEFITS SCHEME

Engagement Policy Implementation Statement

Financial Year Ending 31st March 2024

Introduction

This statement sets out how, and the extent to which, the Stewardship policy in the Statement of Investment Principles ("SIP") produced by the Trustees has been followed during the year to 31 March 2024. This statement has been produced in accordance with The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2019 and the guidance published by the Pensions Regulator.

Investment Objectives of the Scheme

The Trustees believe it is important to consider the policies in place in the context of the investment objectives they have set. As set out in the SIP the Trustees' primary investment objective for the Scheme is to achieve an overall rate of return that is sufficient to ensure that assets are available to meet all liabilities as and when they fall due.

In doing so, the Trustees also aim to maximise returns at an acceptable level of risk taking into consideration the circumstances of the Scheme.

Investment Strategy

Over the period of review, a Trustee meeting was held in February 2023, where the Trustees and Company underwent ESG training, leading to a decision to review the Baillie Gifford Diversified Growth Fund (ESG 3) and LGIM UK Equity Index Fund (ESGp1) for improved ESG integration. Consequently, the decision was made to sell the Baillie Gifford DGF and invest the proceeds into the LGIM Diversified Fund (ESG 2). At this time, the LGIM UK Equity Index Fund was sold and the proceeds invested into the LGIM Ethical UK Equity Index Fund (ESGp1). Furthermore, the Scheme completed an LDI manager review, rebalancing the strategic asset allocation of CT Real and Nominal LDI funds to achieve a target hedge ratio of c.100% assets.

Review of SIP

The SIP is subject to review at least triennially. The SIP was reviewed over the Scheme year and was signed in June 2022 to reflect the new strategic asset allocation.

Policy on ESG, Stewardship and Climate Change

The Trustees understand that they must aim to consider all factors that have the ability to impact the financial performance of the Scheme's investments over the appropriate time horizon. This includes, but is not limited to, environmental, social and governance ("ESG") factors.

The Scheme's SIP includes the Trustees' policy on ESG factors, Stewardship and Climate Change. This policy sets out the Trustees' beliefs on ESG and climate change and the processes followed by the Trustees in relation to voting rights and stewardship. The Trustees keep their policies under regular review with the SIP subject to review at least triennially.

Set out below is a summary of the work that was undertaken during the year relating to the Trustees' policy on ESG factors, stewardship and climate change, as well as an overview of how the Trustees' engagement and voting policies were followed and implemented during the year.

Engagement

- The Scheme's investment managers were asked to confirm whether they are current signatories of the UK Stewardship Code. LGIM, J.P Morgan , Nordea, Vontobel and Baillie Gifford confirmed that they are signatories of the current UK Stewardship Code.
- The investment performance report is reviewed by the Trustees on a semi-annual basis – this includes ratings (both general and ESG-specific) from the investment advisers and the managers were generally well rated during the year. Where managers may not be highly rated from an ESG perspective the Trustees continue to monitor this. When implementing a new manager the Trustees would consider the ESG rating of the manager. The investment performance report includes how each investment manager is delivering against their specific mandates.

Voting Activity

The Scheme is invested in multi-client pooled funds therefore the Trustees do not have direct voting rights in relation to the Scheme's investments. The Trustees have effectively delegated their voting rights to their investment managers. The Trustees have not been asked to vote on any specific matters over the Scheme year covered by this statement. Nevertheless, this statement sets out a summary of the key voting activity carried out on behalf of the

Trustees by the investment managers of the multi-client pooled funds for which voting is possible (i.e., all funds which include equity holdings). The Trustees do not use the direct services of a proxy voter.

Manager / Fund	Proxy voter used?	Votes cast		
		Votes in total	Votes against management endorsement	Abstentions
Baillie Gifford Diversified Growth Fund	ISS - cognisant of proxy advisers' voting recommendations Glass Lewis - cognisant of proxy advisers' voting recommendations	690 eligible for (c.94.06% cast)	c.2.77% of votes cast	c.0.46% of votes cast
JP Morgan Emerging Markets Opportunities Fund	ISS - JPMAM uses this third party provider to receive meetings notifications, provide company research and process its votes.	1,243 eligible for (c.97.00% cast)	c.12.00% of votes cast	c.2.00% of votes cast
LGIM UK Equity Index Fund	ISS's "ProxyExchange" electronic voting platform is used for voting execution All voting decisions are made by LGIM and they do not outsource any part of the strategic decisions.	10,462 eligible for (c.99.80% cast)	c.5.59% of votes cast	c.0.03% of votes cast
LGIM Diversified Fund	ISS's "ProxyExchange" electronic voting platform is used for voting execution All voting decisions are made by LGIM and they do not outsource any part of the strategic decisions.	93,090 eligible for (c.99.79% cast)	c.23.13% of votes cast	c.0.29% of votes cast
LGIM Ethical UK Equity Index Fund	ISS's "ProxyExchange" electronic voting platform is used for voting execution All voting decisions are made by LGIM and they do not outsource any part of the strategic decisions.	4,532 eligible for (c.99.54% cast)	c.5.08% of votes cast	c.0.07% of votes cast
Vontobel Global Value Equity Fund	ISS – Research and advice only	735 eligible for (c.100% cast)	c.11.4% of votes cast	c.0.1% of votes cast

Nordea 1 - GBP Diversified Return Fund	ISS – for execution and recommendations only.	2,069 eligible for (c.99.86% cast)	c.12.44% of votes cast	c.2.47% of votes cast
	NIS – for recommendations only.			Abstain (0.53%) + Withhold (1.94%)
	Glass Lewis – for analytic input.			
Notes: ISS = Institutional Shareholder Services Inc. IVIS = Institutional Voting Information Service NIS = Nordic Investor Services				

Following the DWP’s consultation response and outcome regarding Implementation Statements on 17 June 2022 (“Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement: Statutory and Non-Statutory Guidance”) one of the areas of interest was the significant vote definition. The most material change was that the Statutory Guidance provides an update on what constitutes a “significant vote”:

- A significant vote is defined as one that is linked to the Scheme’s stewardship priorities/themes.
- A vote could also be significant for other reasons, e.g. due to size of holdings.
- The Trustees are to include details on why a vote is considered significant and rationale for the voting.

The Trustees have classified most “significant votes” as any vote which concerns **Climate Change** e.g. a vote on a company’s carbon disclosures or low-carbon transition, where the **Size** of the holding is >1% of the fund. This aligns with the Sponsor’s environmental pledge to become carbon net zero in its emissions by 2030. Where applicable, examples of such significant votes are summarised in the table below:

- **LGIM's Diversified Fund** and **JP Morgan's Emerging Markets Opportunities Fund** do not show any voting activity that meets the Trustee's criteria for a significant vote.

Manager	Company	Date	Why it is significant	Size of holding (% of Fund)	Summary of resolution	Vote cast	If against management, was intention communicated?	Rationale for voting decision	Outcome	Next steps
Baillie Gifford Diversified Growth Fund	China Longyuan Power Group Corporation Limited	June 28 th 2023	It regards climate change which is the main metric agreed by the Trustees as to what defines a significant vote.	2.4%	They met with management to discuss three climate-related matters. Firstly, they reached out to commend the company for its first-time Scope 1 and 2 emissions disclosure in its 2022 ESG Report, increasing transparency. Secondly, they engaged to request details around Scope 3 emissions disclosure timelines. And thirdly, they urged the company to make a formal commitment to an emissions reduction target to increase accountability.	Against	No	Decarbonising the power sector is vital in achieving global climate ambitions, and while this is the largest wind power operator in the world, the company still emitted >10 million tons of carbon dioxide from its coal power generation. Their discussion centred around the company's environmental disclosure and what its intentions are regarding the establishment of emission reduction targets. Although this meeting confirmed to them that the company seems to be making progress in improving its environmental management and disclosure, this is slow and short-term in nature, given the environmental materiality of its operations. Nevertheless, the coal disposal will be a game-changer for the company's emissions.	Not provided by the Manager.	They have communicated their concern to the company and they will be monitoring the development of corporate governance structures.

LGIM UK Equity Index Fund	Shell Plc	May 23 th 2023	It regards climate change which is the main metric agreed by the Trustees as to what defines a significant vote.	7.0%	Resolution 25 - Approve the Shell Energy Transition Progress Update.	Against (against management recommendati on)	No	Climate change: A vote against is applied, though not without reservations. LGIM acknowledge the substantial progress made by the company in meeting its 2021 climate commitments and welcome the company's leadership in pursuing low carbon products. However, they remain concerned by the lack of disclosure surrounding future oil and gas production plans and targets associated with the upstream and downstream operations; both of these are key areas to demonstrate alignment with the 1.5C trajectory.	Pass	LGIM continues to undertake extensive engagement with Shell on its climate transition plans.
	BP Plc	April 27 th 2023	It regards climate change which is the main metric agreed by the Trustees as to what defines a significant vote.	3.8%	Resolution 4 - Re- elect Helge Lund as Director .	Against (against management recommendati on)	No	A vote against is applied due to governance and board accountability concerns. Given the revision of the company's oil production targets, shareholders expect to be given the opportunity to vote on the company's amended climate transition strategy at the 2023 AGM. Additionally, LGIM note concerns around the governance processes leading to the decision to implement such amendments.	Pass	LGIM will continue to engage with the company and monitor progress.
	Glencore Plc	May 26 th 2023	It regards climate change which is the	2.4%	Resolution 19: Shareholder resolution	For (Against Management	Yes, LGIM co-filed this	In 2021, Glencore made a public commitment to align its targets and	Fail	LGIM will continue to engage with

			main metric agreed by the Trustees as to what defines a significant vote.		“Resolution in Respect of the Next Climate Action Transition Plan”	Recommendation)	shareholder resolution and pre-declared its vote intention for this meeting on the LGIM Blog.	ambition with the goals of the Paris Agreement. However, it remains unclear how the company’s planned thermal coal production aligns with global demand for thermal coal under a 1.5°C scenario. Therefore, LGIM has co-filed this shareholder proposal (alongside Ethos Foundation) at Glencore’s 2023 AGM, calling for disclosure on how the company’s thermal coal production plans and capital allocation decisions are aligned with the Paris objectives. This proposal was filed as an organic escalation following our multi-year discussions with the company since 2016 on its approach to the energy transition.		the company and monitor progress.
LGIM Ethical UK Equity Index Fund	SSE Plc	July 20 th 2023	It regards climate change which is the main metric agreed by the Trustees as to what defines a significant vote.	1.1%	Resolution 17: Approve Net Zero Transition Report.	For	No	A vote FOR is applied as LGIM expects companies to introduce credible transition plans, consistent with the Paris goals of limiting the global average temperature increase to 1.5°C. 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 the 1.5°C goal.	Not provided by the Manager.	LGIM will continue to engage with the company and monitor progress.

Vontobel Global Equity Fund	Amazon .com, Inc.	May 1 st 2023	It regards climate change which is the main metric agreed by the Trustees as to what defines a significant vote.	4.4%	Report on Climate Change.	For (Against management)	No	Vontobel voted in support of this proposal (against management) because they believe shareholders would benefit from more disclosure on how the company considers internal and external issues related to the transition to a low-carbon economy as part of its climate strategy.	Fail	“They encourage the companies in which they invest to establish realistic but challenging goals on climate change, including relevant disclosures and reporting.”
Nordea Diversified Return Fund	Comcast Corporation	June 7 th 2023	It regards climate change which is the main metric agreed by the Trustees as to what defines a significant vote.	1.4%	Report on GHG Emissions Reduction Targets Aligned with the Paris Agreement Goal (shareholder proposal).	For	Nordea will share their concern with the Chairman of the Board.	Nordea believe that additional information on the company's efforts to reduce its carbon footprint and align its operations with Paris Agreement goals would allow investors to better understand how the company is managing its transition to a low carbon economy and climate change-related risks.	Fail	Nordea will continue to support shareholder proposals on this issue as long as it is needed.

Alphabet	June 2 nd 2023	It regards climate change which is the main metric agreed by the Trustees as to what defines a significant vote.	4.8%	Report on Lobbying Payments and Policy, Report on Framework to Assess Company Lobbying Alignment with Climate Goals etc.	For (Against management)	No	At the Alphabet AGM Nordea supported a number of shareholder proposals, besides Report on managing risks related to data collection, privacy and security, such as Report on physical risks of climate change, Report on climate lobbying and Report on steps to improve racial and gender Board diversity. Management voting recommendations was against on all these proposals. The dominant position of Google, its impact on society and integrity of individuals is very important for them as investors.	Fail	Nordea will continue to support shareholder proposals on these issues as long as the company is not showing substantial improvements.
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