

# Responsible Investment Update: Q3 2025

## Introduction

This update has been prepared by Hymans Robertson LLP for the Wales Pension Partnership (WPP). This quarterly WPP Responsible Investment (RI) Update sets out recent RI activity and information on the following Sub-Funds: Global Growth; Global Opportunities; UK Opportunities; Emerging Markets; Sustainable Active Equity; Global Credit; Multi-Asset Credit; Absolute-Return Bond; UK Credit. Please note, due to data and metric limitations, the Global Government Bond Sub-Fund is currently not included in this report.

It has not been prepared for use for any other purpose and should not be so used. The paper should not be disclosed to any third party except as required by law or regulatory obligation or with our prior written consent. We accept no liability where the paper is used by or disclosed to a third party unless we have expressly accepted such liability in writing. Where this is permitted, the paper may only be released or otherwise disclosed in a complete form which fully discloses our advice and the basis on which it is given.

## JGC RI activity

- **Passive Mandates Evolution:** all seven of the partner funds invested in the BlackRock ACS Low Carbon gave sign-off for the Aquila Life WPP World ESG Insights Equity Fund, which has now launched. Robeco and BlackRock have been liaising to ensure the appropriate set-up for voting choice to be applied on the bespoke solution.
- **Stewardship Code:** WPP submitted its fifth report in line with the FRC UK Stewardship Code, in line with the end-October 2025 deadline.
- **all-Wales Climate Report (AWCR):** the AWCR is in the process of being finalised.
- **Impact reporting:** The Good Economy is undertaking an all-of-Wales impact report, covering the period as at end-March 2025; WPP has partnered with TGE to carry out the reporting on an annual basis going forward.
- **Stewardship themes:** initial results of the WPP's stewardship-themes questionnaire, which was shared with Constituent Authorities for comment, were presented to the RIWG, for the Robeco client panels. Further information will be provided next quarter.

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For and on behalf of Hymans Robertson LLP  
December 2025

## Stewardship Summary

### Quarter ending 30 September 2025

WPP employs Robeco as its Voting and Engagement Provider, with Robeco voting on resolutions across WPP's five active-equity Sub-Funds, while also providing the engagement function with issuers across all active Sub-Funds, as well as the passive mandates. Voting will be applied to the new bespoke *Aquila Life WPP World ESG Insights Equity Fund* from Q4 25.

A summary of stewardship activity is provided below, with voting broken down between Sub-Funds in subsequent pages. To note, some stocks are common across multiple Sub-Funds, with votes reported against each.

### Robeco engagement

#### Transition minerals

Robeco launched a new theme on transition minerals. The theme focuses on the environmental and human-rights risks associated with the extraction and processing of those materials essential for the low-carbon economy, such as lithium, nickel, and rare earth elements. The engagement targets companies across the electric-vehicle value chain, emphasising the need for robust supply chain traceability, stronger governance and measurable targets for climate and biodiversity impacts. Robeco also advocates for the adoption of international standards and frameworks, and for proactive stakeholder management to ensure responsible sourcing and benefit-sharing with affected communities. The theme targets six companies, spanning mining, battery manufacturing and EV production, with the aim of addressing climate and nature risks, labour rights and indigenous peoples' rights. The engagement prioritises public commitments to net zero, board-level ESG oversight and transparent disclosures aligned with global reporting frameworks. The initiative also highlighted the importance of aligning with regulatory requirements such as the EU Battery Regulation and the Initiative for Responsible Mining Assurance.

#### Hazardous chemicals and PFAS

Robeco continued its three-year engagement with chemical companies on the risks posed by per- and polyfluoroalkyl substances (PFAS). The focus remained on increasing transparency, encouraging the development and implementation of phase-out plans, and promoting safer alternatives. Regulatory tightening in Europe and the US, alongside rising litigation, underscored the urgency of these efforts. Robeco's collaborative work through the Investor Initiative on Hazardous Chemicals reinforced the push for industry-wide change and better disclosure under frameworks like the Corporate Sustainability Reporting Directive (CSRD).

#### Case study: engagement with 3M

Robeco's engagement with 3M, a major PFAS producer, resulted in commitments to exit PFAS manufacturing by the end of 2025 and improve transparency. However, Robeco continues to press for a clear strategy on developing safer chemical substitutes and full disclosure of hazardous substances, in line with industry best practice.

### Tax transparency

Corporate taxation was a key theme over the quarter, with Robeco advocating for improved disclosure, robust governance and alignment with international standards, such as the OECD's BEPS 2.0 and GRI 207. Engagement revealed that many companies have more comprehensive internal tax policies than their public reporting suggests, often due to concerns about regulatory uncertainty and stakeholder expectations. The evolving regulatory landscape, particularly in Europe, is driving increased accountability and public country-by-country reporting.

#### Case study: European companies

Robeco expanded its tax transparency engagement to include more European companies, responding to new EU requirements for public country-by-country reporting, as well as seeing more favourable conditions to engage in Europe versus the US (where several engagements have now closed). The engagement focuses on encouraging companies to clearly articulate their tax policies, governance systems and the alignment of tax payments with economic reality, while balancing the interests of diverse stakeholders.

### Governance and proxy voting

Robeco's stewardship activities addressed governance challenges, including director elections, bundled slates and the persistence of 'zombie' directors, who remain on boards despite lacking shareholder support. The engagement promoted best practices, such as annual individual director elections, comprehensive nominee disclosure and the 'one share, one vote' principle. Robeco is also scrutinising dual-class share structures, advocating for greater board accountability, particularly in markets where minority shareholder rights are at risk.

## LAPFF

### Engagement area: cement

Over Q3, LAPFF placed a focus on cement and its negative effects on the climate. Cement production is a highly localised industry, with emissions closely linked to domestic consumption and accounting for as much as 10% of a country's CO<sub>2</sub> output. Key environmental challenges include decarbonising both the core chemical reaction and the energy sources used to heat the kiln. Beyond carbon, the sector faces significant issues around water usage, given the water-intensive nature of cement supply, as well as the sourcing of aggregates required to produce concrete. At present, the only viable solution for decarbonising the chemical process, aside from substituting production, is carbon capture and storage (CCS). Notably, during 2024/25, Heidelberg became the first company to commence using this technology at scale.

#### Case study: Heidelberg & CRH

Engagement with Heidelberg and CRH focused on the credibility of their decarbonisation strategies, with LAPFF playing an active role in meetings to scrutinise progress on CCS, clinker substitution and alternative fuels. Heidelberg delivered the sector's first full-scale CCS project at Brevik and maintains the industry's lowest clinker ratio, though it remains reliant on subsidies and faces supply constraints. CRH advanced CCS projects in France, reduced its clinker factor, increased alternative fuel use and linked executive incentives to ESG targets. Both companies engaged directly with LAPFF on issues of transparency, cost and scalability, while LAPFF continues to monitor their progress and advocate for robust, credible emissions-reduction measures.

### Engagement area: Asia Research and Engagement

LAPFF remains engaged in Asia Research and Engagement's Energy Transition Platform, which aims to align major Asian financial institutions with a 1.5°C climate pathway. The engagement theme focuses on improving disclosure, strengthening transition finance frameworks and encouraging the adoption of clearer policies on new financing for high-emission energy sources, such as coal and oil sands. The platform also seeks to address the

structural challenges posed by national energy policies and regulation, which can slow the pace of transition in the region.

#### **Case Study: Bank Mandiri and CIMB**

This quarter, LAPFF met with Bank Mandiri and CIMB to assess their progress. Bank Mandiri reported that coal accounts for 4-5% of its loan book, with renewable financing now comprising 24% of its energy lending, and outlined steps towards sectoral decarbonisation and improved emissions data coverage as new disclosure standards are introduced. CIMB highlighted a 48% reduction in thermal-coal exposure since 2021, a full phaseout by 2040, and a growing focus on sustainable finance and internal carbon pricing. Both banks acknowledged ongoing challenges in emerging markets, particularly around regulation and market uptake. LAPFF will continue to engage with Asian banks on aligning transition plans with 1.5°C scenarios, especially where coal and other high-emission sources remain part of near-term strategies.

#### **Engagement area: water stewardship**

LAPFF sees water risk as a critical issue spanning multiple sectors, including mining, energy, utilities, and food and drink, where failures can have severe social, environmental and financial consequences. The engagement focuses on two main perspectives: the risks of water use and scarcity; and the human-rights impacts when access to clean water is compromised. These concerns are particularly acute for water-intensive industries and companies operating in water-stressed regions or near vulnerable communities, where climate change is amplifying scarcity and quality challenges. LAPFF also addresses water pollution, with a particular focus on sewage discharges in the UK utilities sector and the growing threat of persistent contaminants such as PFAS ‘forever chemicals’. The objective is to press companies to embed water stewardship and human-rights due diligence into strategy and operations, reducing risks from scarcity and pollution, and safeguarding ecosystems, communities and long-term investor value.

#### **Case study: Pennon and Severn Trent**

In Q3, LAPFF met with Pennon and Severn Trent to assess progress on reducing storm overflow pollution and managing emerging pollutants. Both companies reported improvements in pollution reduction and investment in infrastructure, while also engaging with regulators amid significant changes to the oversight of the UK’s water sector. LAPFF continues to monitor company performance, regulatory developments and the management of persistent chemical risks.

#### **Engagement area: nature and biodiversity**

LAPFF’s engagement on nature-related risks is guided by the recommendations of the Taskforce on Nature-Related Financial Disclosures, encouraging companies with significant impacts on nature to make public commitments to mitigate nature loss, and provide detailed disclosures on dependencies, impacts and actions across their operations and supply chains.

#### **Case Study: Pfizer**

In Q3, as part of Nature Action 100, LAPFF led its first investor meeting with Pfizer, discussing the company’s initial biodiversity risk assessments, and the importance of transparent disclosure before setting targets and governance structures. Pfizer acknowledged the link between climate and biodiversity, and outlined its ongoing work on water stewardship and net zero, as well as engagements on pharmaceuticals in the environment and microbial resistance. LAPFF also wrote to several global companies with large natural-resource dependencies, receiving a response from Bunge, which shared its current approach and invited further dialogue. LAPFF will continue to press companies to integrate nature-related risks into governance and disclosure, monitor progress on tangible actions, and consider escalation where companies do not sufficiently address or respond to nature and biodiversity risks.

### Engagement theme: human rights

LAPFF looked at two key themes under their social-factors category. The first was conflict-afflicted and high-risk areas (CAHRAs) and the second was human-rights risks in luxury goods. On CAHRAs, LAPFF expanded its engagement with companies in, or exposed to, these areas, aiming to cover a broader range of sectors and geographies where these risks are significant. The focus is on ensuring that companies undertake heightened human-rights due diligence, in line with the UN Guiding Principles on Business and Human Rights and the UN Development Programme's guidance for CAHRAs. On luxury goods, LAPFF undertook engagements focusing on how to encourage better disclosures and practices on how the sector manages human-rights risks.

#### Case study: CAHRAs

LAPFF engaged with Australian banks and oil & gas companies to address CAHRA risks, focusing on enhanced due diligence, risk assessment, and responsible business practices. Banks described processes for identifying and managing human rights risks, with examples of influencing client behaviour and declining finance in high-risk cases. In oil & gas, TotalEnergies and Eni outlined conflict analysis, security risk management, and human rights due diligence, including community initiatives and contractual safeguards. LAPFF continues to press for robust, transparent approaches in high-risk contexts.

#### Case study: CAHRAs and the OPT

In response to the July UN Special Rapporteur report on human rights in the Occupied Palestinian Territories (OPT), LAPFF wrote to several companies named in the report to better understand their approaches to human rights due diligence in CAHRAs. Microsoft has since replied, sharing relevant public materials and indicating that further detail on its approach to CAHRAs will be included in its upcoming annual report.

#### Case study: human rights and luxury fashion

LAPFF engaged with luxury goods manufacturers to encourage stronger human-rights practices and disclosures, focusing in particular on LVMH following the placement of its Loro Piana subsidiary under court administration in July 2025, after a similar situation with Dior in 2024. The engagement centred on LVMH's audit and remediation processes, with LAPFF seeking clarity on how issues at Loro Piana were identified and addressed. LVMH provided further details on the discovery and ongoing management of the case, confirming that its audit programme was functioning as intended, though some information could not be disclosed due to legal constraints. LAPFF reiterated the need for LVMH to commit to the UN Guiding Principles on Business & Human Rights and to provide transparent disclosures on risk prevention and mitigation. Ongoing engagement will monitor LVMH's human-rights due diligence and seek updates as new information emerges.

### Overall voting summary

Breakdown of voting activity			
Number of meetings		199	
Proposals voted		1,982	
Meetings with at least one vote against management		79 (40%)	
For	1,820	With management	1,817
Against	153	Against Management	159
Abstain	4	Not applicable	6
Withhold	1		

Do not vote 1 year	3 1		
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Overall engagement summary

Number of engagement cases by topic		Number of engagement activities by contact type	
Environment	47	Meeting	11
Social	7	Conference call	55
Governance	20	Written correspondence	103
UN SDGs	33	Other	30
Voting Related	5	<b>Total</b>	<b>200</b>
Enhanced	6		
<b>Total</b>	<b>120</b>		

## Global Growth Sub-Fund:

### Key Metrics as at 30 September 2025

#### Key characteristics

Fund value	£3.9bn
Underlying managers	Baillie Gifford, Pzena, PineStone, Numeric

Source: Waystone/Russell

#### Top-10 holdings (by AUM)

1. Microsoft	6. Autozone
2. Nvidia	7. Moody's
3. Alphabet	8. Meta
4. TSMC	9. Oracle
5. Mastercard	10. Amazon

Source: Waystone

#### Climate metrics

Figures as at 30 September 2025	Fund	Coverage	Benchmark	Coverage
WACI (tCO <sub>2</sub> e/\$m sales)	55.1	>97%	112.9	>99%
WACI EVIC (tCO <sub>2</sub> e/\$EVIC)	24.1	>97%	39.3	>99%
Carbon emissions (tCO <sub>2</sub> e/£m invested)	49.7	>97%	77.2	>99%
Holdings with exposure to FF reserves	1.6%	Not applicable	5.5%	Not applicable
Approved Science-Based Targets (%)	49.6%	Not applicable	52.7%	Not applicable

Source: MSCI; Hymans Robertson; Benchmark: MSCI ACWI

#### ESG metrics

Figures as at 30 September 2025	Fund	Coverage	Benchmark	Coverage
Overall ESG score	5.5	>96%	5.5	>99%
E pillar	6.7	>96%	6.6	>99%
S pillar	5.2	>96%	5.2	>99%
G pillar	5.8	>96%	5.6	>99%
UNGC violators	0.1%	>97%	0.2%	>99%

Source: MSCI; Hymans Robertson; Benchmark: MSCI ACWI



## Global Growth Sub-Fund:

### Stewardship Summary

#### Voting Summary (Q3 2025)

Number of meetings		34	
Proposals voted		313	
Meetings with at least one vote against management		9 (26%)	
For	288	With management	288
Against	23	Against Management	23
		Not applicable	2

#### Key votes

##### Nu Holdings (8 September 2025, Cayman Islands)

At the AGM of Nu Holdings', the Brazilian digital-banking-services company, Robeco voted against the board elections. Robeco is generally concerned with board elections that follow a 'slate' method (ie where shareholders vote for the entire board rather than individual directors), as is the case at Nu. However, this would not always mean a default vote against. Rather, Robeco voting against was based on governance concerns, including: lack of auditor ratification (by shareholders); a multi-class share structure without a sunset provision; insufficient disclosure of previous proxy voting results; and low board gender diversity. The slate was approved, with 97% of shareholders voting for.

##### Compagnie Financière Richemont (10 September 2025, Switzerland)

At the AGM of Richemont, the Swiss luxury-goods company, shareholders voted on the re-election of fifteen directors. This was significant, given Richemont's controlled structure and governance implications. While the board met many expectations for independence, Robeco identified two concerns: the Chair's dual role leading the Nominations Committee, concentrating influence over appointments, and the nomination of a long-tenured director to the Audit Committee, which is expected to be fully independent. Robeco voted against both nominees, though both were re-elected with strong shareholder support (at least over 91%)..

#### Engagement Summary (Q3 2025)

Of the issuers held in the Sub-Fund that were engaged over the quarter, the vast majority of AUM comes from companies domiciled in the US. A list of companies by engagement theme is set out below.

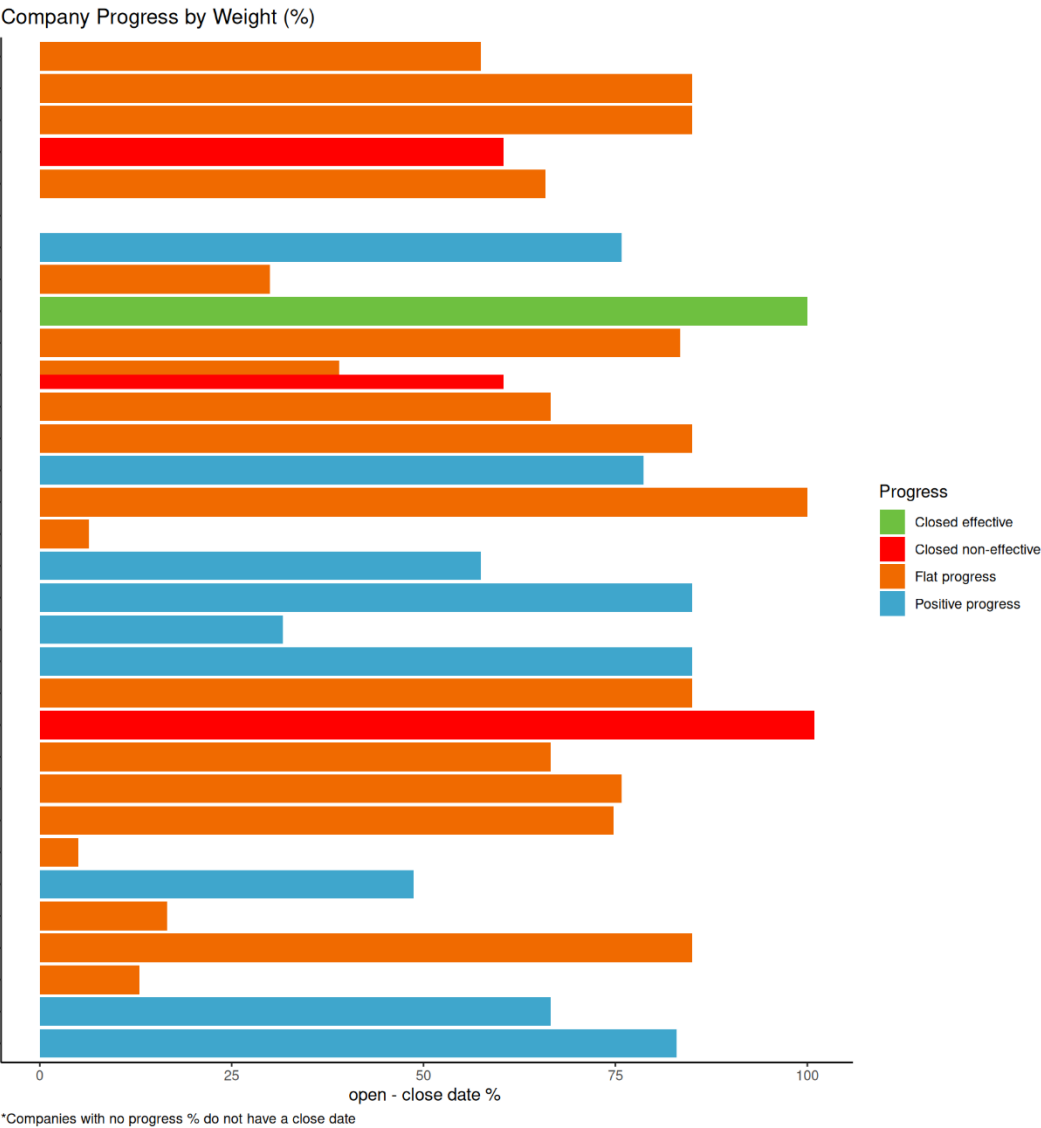


Theme	Companies
AGM engagement 2025	Thermo Fisher Scientific, Inc.
Biodiversity	Contemporary Amperex Technology
Climate Transition of Financial Institutions	ING Groep, Bank of America
Fashion Transition	LVMH
Good Governance	Prosus
Hazardous Chemicals	Honeywell International
Modern Slavery in Supply Chains	Walmart
Natural Resource Management	PepsiCo
Nature Action 100	Ahold, Alibaba Group
Net Zero Carbon Emissions	Shell PLC, Hynix Semiconductor, Haier Smart Home, Siemens Energy
SDG Engagement	AbbVie, Adobe, Advanced Micro Devices, Amazon, AutoZone, Broadcom, Capital One, CB Richard Ellis, Meta, NASDAQ, Novartis, PayPal, Salesforce, Total, Trane Tech
Tax Transparency	Apple, AbbVie, Sanofi-Aventis
Transition Minerals	Contemporary Amperex Technology

Source: Robeco, Hymans Robertson

### Progress by company

Engagements are typically for a period of three years, although Robeco will close an engagement if the objectives are achieved early or if attempts to engage the company are unsuccessful. As at 30 September 2025, Robeco notes the following progress:



Source: Robeco, Hymans Robertson; please note, some issuers may be duplicated, given ISIN data. As this data may be presented publicly, we do not report on the progress of specific engagements, given the sensitivities in the ongoing engagement relationship with corporates.

Closed effective engagements

Water risk and waste management

Robeco engaged with a global consumer company to address water-risk management, waste reduction and controversies. Robeco found that the company demonstrated strong progress on operational water efficiency, surpassing its near-term target ahead of schedule and setting ambitious goals to become net water positive by 2030. Transparency and disclosures were robust, supported by detailed ESG reporting, while packaging emerged as a key area with updated targets to reduce virgin plastic and increase recycled content. Despite ongoing litigation related to plastic pollution, Robeco finds the company’s proactive measures enabled successful closure of the controversies objective. With four objectives closed and only low-priority areas showing flat progress, the engagement concluded positively, recognising the issuer’s leadership in sustainable practices.

## Closed non-effective engagements

### Tax transparency

As noted above, under the tax transparency theme, Robeco closed engagements with some US issuers, in favour of targeting European companies more receptive to engagement. To this end, Robeco closed its engagement with two US names, given a lack of progress on both.

## Case Studies

### Russell Investments: active ownership case study

Russell Investment engaged with utility Vistra, a name on WPP's climate-focus list, on its climate-transition strategy and capital allocation. Russell wanted to push for clarity on Vistra's decarbonisation pathway, coal retirement timeline and Capex plans to support low-carbon growth. The engagement is ongoing.

### Russell Investments: active-ownership case study

Russell engaged with LVMH, the world's largest luxury goods group, on reputational risk based on a recent controversy with one of its subsidiaries. Russell found that the case is low risk, though will monitor the situation.

## Global Opportunities Sub-Fund:

### Key Metrics as at 30 September 2025

#### Key characteristics

<b>Fund value</b>	<b>£3.8bn</b>
<b>Underlying managers</b>	Intermede, Jacobs Levy, Morgan Stanley, Numeric, Nissay, Oaktree, Sanders, SW Mitchell

Source: Waystone/Russell

#### Top-10 holdings (by AUM)

1. Meta	6. TSMC
2. Apple	7. Amazon
3. Microsoft	8. Mastercard
4. Alphabet	9. Alibaba Group
5. NVIDIA	10. Deutsche Bank

Source: Russell

#### Climate metrics

Figures as at 30 September 2025	Fund	Coverage	Benchmark	Coverage
<b>WACI (tCO<sub>2</sub>e/\$m sales)</b>	76.7	>93%	112.9	>99%
<b>WACI EVIC (tCO<sub>2</sub>e/\$EVIC)</b>	46.7	>93%	39.3	>99%
<b>Carbon emissions (tCO<sub>2</sub>e/£m invested)</b>	98.9	>93%	77.2	>99%
<b>Holdings with exposure to FF reserves</b>	3.2%	Not applicable	5.5%	Not applicable
<b>Approved Science-Based Targets (%)</b>	46.5%	Not applicable	52.7%	Not applicable

Source: MSCI; Hymans Robertson; Benchmark: MSCI ACWI

#### ESG metrics

Figures as at 30 September 2025	Fund	Coverage	Benchmark	Coverage
<b>Overall ESG score</b>	5.5	>93%	5.5	>99%
<b>E pillar</b>	6.7	>93%	6.6	>99%
<b>S pillar</b>	5.2	>93%	5.1	>99%
<b>G pillar</b>	5.7	>93%	5.6	>99%
<b>UNGC violators</b>	0.7%	>93%	0.2%	>99%

Source: MSCI; Hymans Robertson; Benchmark: MSCI ACWI

## Global Opportunities Sub-Fund:

### Stewardship Summary

#### Voting Summary (Q3 2025)

Number of meetings		63	
Proposals voted		444	
Meetings with at least one vote against management		25 (40%)	
For	391	With management	389
Against	46	Against Management	51
Abstain	2	Not applicable	4
Withhold	1		
Do not vote	3		
1 year	1		

#### Key votes

##### Linde (29 July 2025, Ireland)

At the annual general meeting of Linde, the global industrial gas engineering company, a shareholder proposal requested that the company prepare a report describing whether and how its direct and indirect lobbying activities align with its public goal of achieving carbon neutrality by 2050. This was the first time such a proposal had been filed at Linde, reflecting growing investor interest in the transparency of the company's climate policy. While Linde discloses some lobbying activities through annual reporting and the CDP Climate Change questionnaire, these disclosures are limited, particularly regarding state-level lobbying and the company's involvement in trade associations with negative climate stances. Robeco determined that the proposal's focus on transparency and alignment with climate goals was both relevant and material, and would bring Linde closer to international best practice. However, the proposal was ultimately not voted on, as the proponent did not attend the meeting and the company did not hold a vote on the matter.

##### Electronic Arts (14 August 2025, United States)

At the AGM of Electronic Arts (EA), the games company, shareholders voted on the election of directors, executive compensation and auditor ratification. Robeco was unable to support the executive-compensation proposal due to concerns over the structure of executive pay. Further, given the significant CEO payout this year and ongoing concerns raised in previous years, Robeco escalated concerns by voting against the Say-on-Pay proposal and the re-election of the chair of the remuneration committee, who is deemed most responsible for these issues. The proposal passed, with just over 90% support from shareholders.

### Nu Holdings (8 September 2025, Cayman Islands)

At the AGM of Nu Holdings', the Brazilian digital-banking-services company, Robeco voted against the board elections. Robeco is generally concerned with board elections that follow a 'slate' method (ie where shareholders vote for the entire board rather than individual directors), as is the case at Nu. However, this would not always mean a default vote against. Rather, Robeco voting against was based on governance concerns, including: lack of auditor ratification (by shareholders); a multi-class share structure without a sunset provision; insufficient disclosure of previous proxy voting results; and low board gender diversity. The slate was approved, with 97% of shareholders voting for.

### Engagement Summary (Q3 2025)

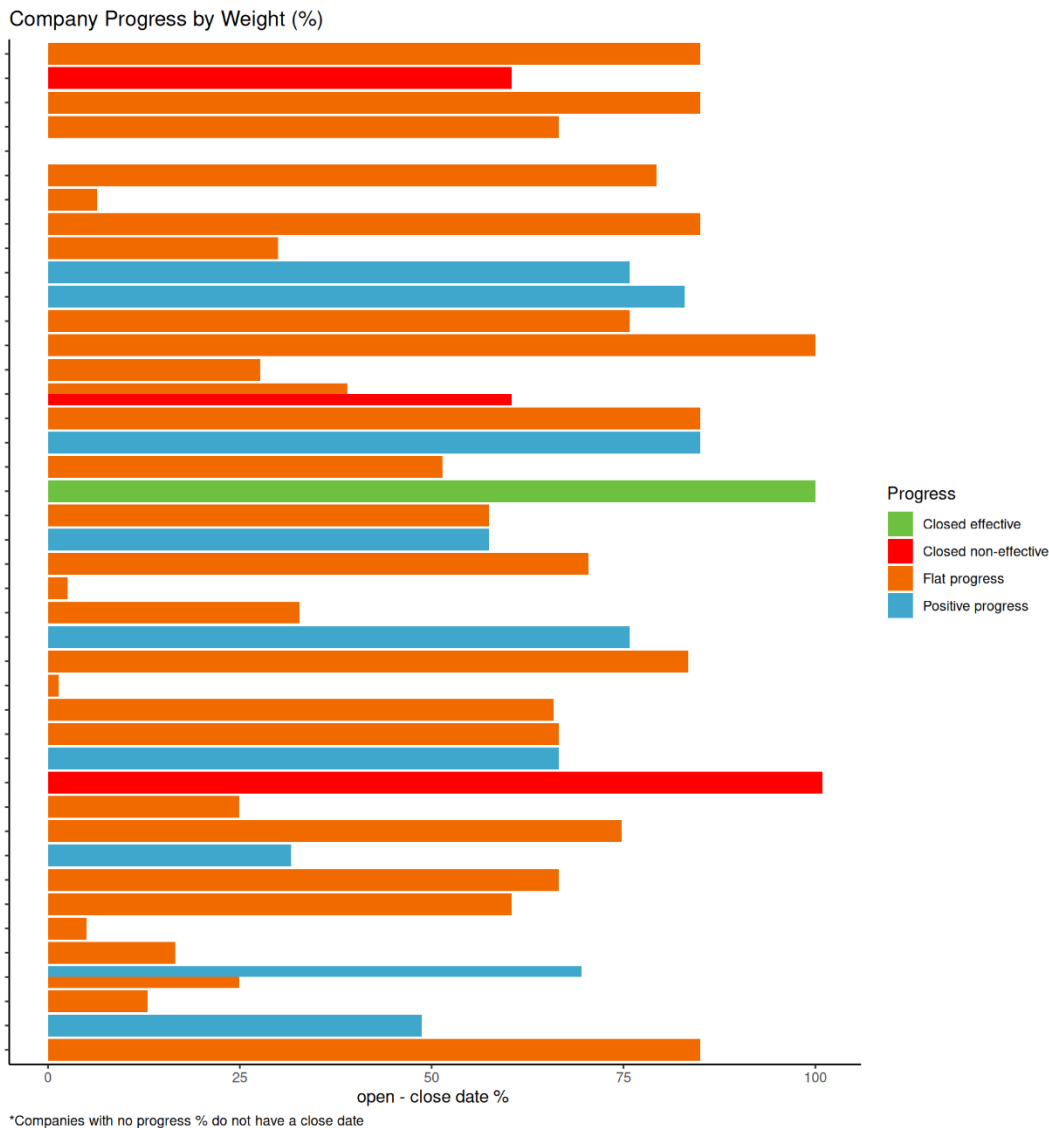
Of the issuers held in the Sub-Fund that were engaged over the quarter, the vast majority of AUM comes from companies domiciled in the US. A list of companies by engagement theme is set out below.

Theme	Companies
Acceleration to Paris	WH Group
Acceleration to Zero-Deforestation	WH Group
AGM engagement 2025	Mahindra & Mahindra
Biodiversity	Contemporary Amperex Technology
Climate Transition of Financial Institutions	Bank of America, DBS Group, ICICI Bank, ING Groep
Fashion Transition	Inditex, LVMH
Good Governance	Unilever, Airbnb
Hazardous Chemicals	Honeywell International
Modern Slavery in Supply Chains	Wal-Mart
Natural Resource Management	PepsiCo
Nature Action 100	Ahold, Archer Daniels Midland, Alibaba Group
Net Zero Carbon Emissions	BP, Haier Smart Home, Siemens Energy, Hynix Semiconductor, Ternium,
SDG Engagement	Meta, Amazon, Adobe Systems, Broadcom, Total, AbbVie, Novartis, Salesforce.com, Sumitomo Mitsui Financial Group, AutoZone, Trane Technologies, Jabil, Capital One, Hon Hai Precision Industry, Advanced Micro Devices, NASDAQ
Tax Transparency	Apple, Schneider Electric, AbbVie, McDonalds
Transition Minerals	Contemporary Amperex Technology, Mahindra and Mahindra,

Source: Robeco, Hymans Robertson

Progress by company

Engagements are typically for a period of three years, although Robeco will close an engagement if the objectives are achieved early or if attempts to engage the company are unsuccessful. As at 30 September 2025, Robeco notes the following progress:



Source: Robeco, Hymans Robertson; please note, some issuers may be duplicated, given ISIN data. As this data may be presented publicly, we do not report on the progress of specific engagements, given the sensitivities in the ongoing engagement relationship with corporates.

Closed effective engagements

Water risk and waste management

Robeco engaged with a global consumer company to address water-risk management, waste reduction and controversies. Robeco found that the company demonstrated strong progress on operational water efficiency, surpassing its near-term target ahead of schedule and setting ambitious goals to become net water positive by 2030. Transparency and disclosures were robust, supported by detailed ESG reporting, while packaging emerged



as a key area with updated targets to reduce virgin plastic and increase recycled content. Despite ongoing litigation related to plastic pollution, Robeco finds the company's proactive measures enabled successful closure of the controversies objective. With four objectives closed and only low-priority areas showing flat progress, the engagement concluded positively, recognising the issuer's leadership in sustainable practices.

### Closed non-effective engagements

#### Tax transparency

As noted above, under the tax transparency theme, Robeco closed engagements with some US issuers, in favour of targeting European companies more receptive to engagement. To this end, Robeco closed its engagement with two names, given a lack of progress on both.

### Case Studies

#### Russell investments: direct engagement

Russell engaged with Tesla on executive pay and governance, raising concerns about the proposed 2025 CEO Performance Award and the retention of the supermajority voting rule. The board's limited independence, lack of support for governance reform and the scale of the CEO award – potentially increasing concentrated control – were key issues. Russell will continue to advocate for stronger board oversight and governance best practices at Tesla.

#### Russell investments: direct engagement

Russell engaged with Otis Worldwide following the failed 2025 Say-on-Pay vote to understand the Board's response and plans for improving pay alignment. Otis confirmed it is developing an off-season engagement programme for Q4 2025 to gather feedback from major shareholders, including Russell. Any future changes to pay or disclosure will be shaped by these discussions and publicly disclosed once finalised. Russell will continue to monitor the Board's actions in response to shareholder input.

## UK Opportunities Sub-Fund:

### Key Metrics as at 30 September 2025

#### Key characteristics

Fund value	£859.3m
Underlying managers	Baillie Gifford, Fidelity, JO Hambro, Liontrust, Ninety One

Source: Waystone/Russell

#### Top-10 holdings (by AUM)

1. HSBC	6. Unilever
2. Shell	7. Tesco
3. Reckitt Benckiser	8. British American Tobacco
4. BP	9. AJ Bell
5. GSK	10. Natwest

Source: Waystone/Russell

#### Climate metrics

Figures as at 30 September 2025	Fund	Coverage	Benchmark	Coverage
WACI (tCO <sub>2</sub> e/\$m sales)	55.1	>96%	76.2	>94%
WACI EVIC (tCO <sub>2</sub> e/\$EVIC)	43.9	>96%	54.0	>94%
Carbon emissions (tCO <sub>2</sub> e/£m invested)	85.5	>96%	108.1	>94%
Holdings with exposure to FF reserves	7.9%	Not applicable	11.5%	Not applicable
Approved Science-Based Targets (%)	57.4%	Not applicable	53.6%	Not applicable

Source: MSCI; Hymans Robertson; Benchmark: FTSE All Share

#### ESG metrics

Figures as at 30 September 2025	Fund	Coverage	Benchmark	Coverage
Overall ESG score	6.0	>96%	5.9	>94%
E pillar	6.6	>96%	6.3	>94%
S pillar	4.9	>96%	5.0	>94%
G pillar	7.3	>96%	7.0	>94%
UNGC violators	0.0%	>96%	0.0%	>94%

Source: MSCI; Hymans Robertson; Benchmark: FTSE All Share

## UK Opportunities Sub-Fund:

### Stewardship Summary

#### Voting Summary (Q2 2025)

Number of meetings		35	
Proposals voted		602	
Meetings with at least one vote against management		12 (35%)	
For	584	With management	583
Against	18	Against Management	19
		Not applicable	0

#### Key votes

##### Qorvo (13 August 2025, United States)

At the AGM of Qorvo, the US technology company, there were two key proposals. Robeco did not support the election of the chair of the governance and nominating committee, due to ongoing concerns around board diversity and disclosure. The board's gender diversity remains at 20%, below the 30% best-practice threshold for US companies, and no clear plan has been provided to address this gap. As the committee chair is accountable for these shortcomings, Robeco withheld support for the election, which ultimately saw around 20% shareholder dissent. Robeco also supported a shareholder proposal to lower the threshold for calling a special meeting from 25% to 10% of outstanding shares, believing this would enhance shareholder rights without undue risk, given the company's shareholder base. The proposal received close to 44% support from shareholders.

#### Engagement Summary (Q3 2025)

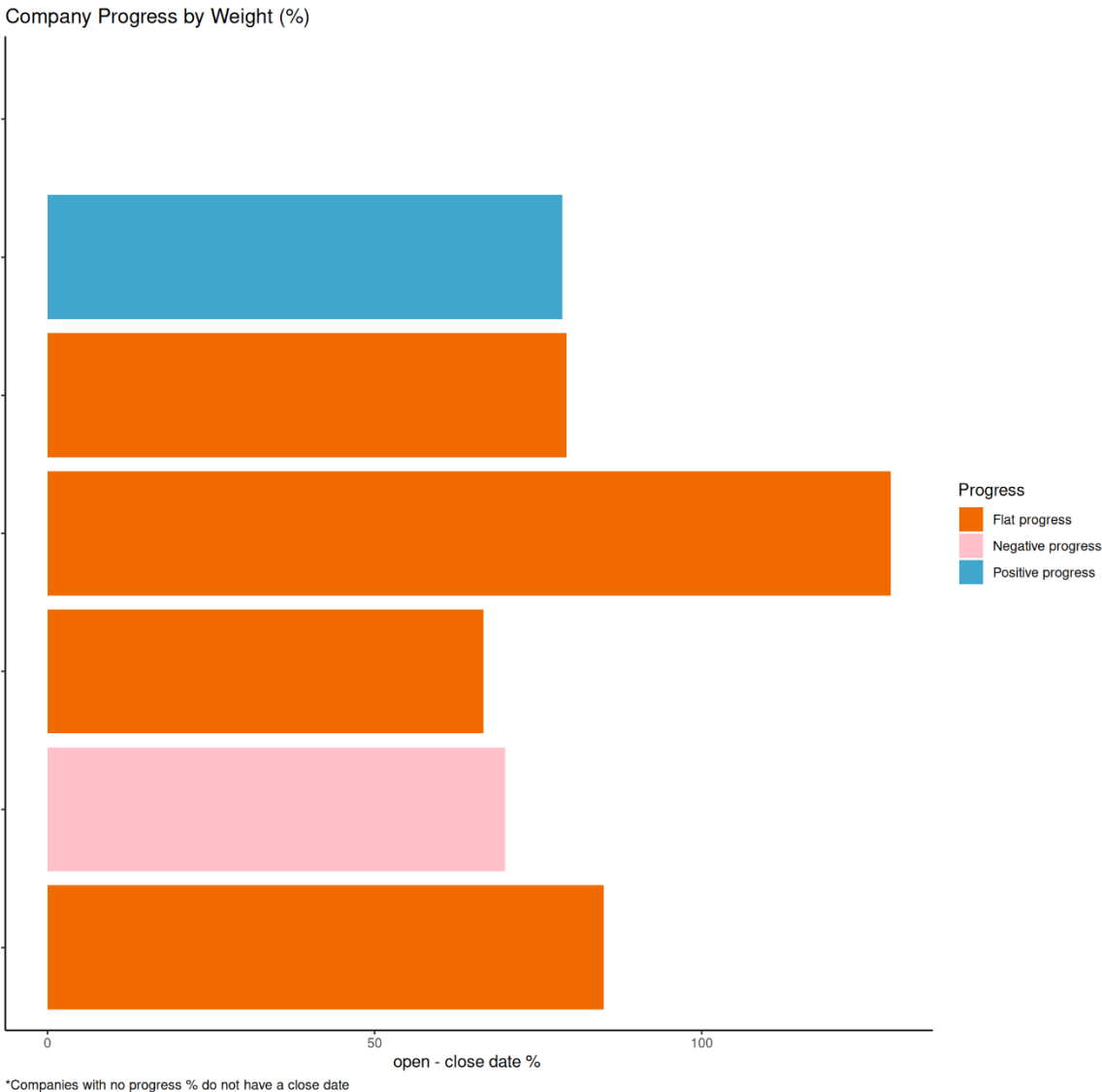
Of the issuers held in the Sub-Fund that were engaged over the quarter, the vast majority of AUM comes from companies domiciled in the UK. A list of companies by engagement theme is set out below.

Theme	Companies
Biodiversity	Cranswick
Good Governance	Unilever
Modern Slavery in Supply Chain	Associated British Foods
Net Zero Carbon Emissions	Shell, BP
SDG Engagement	Meta
Sound Environmental Management	Rio Tinto
Transition Minerals	Rio Tinto

Source: Robeco, Hymans Robertson

Progress by company

Engagements are typically for a period of three years, although Robeco will close an engagement if the objectives are achieved early or if attempts to engage the company are unsuccessful. As at 30 September 2025, Robeco notes the following progress:



Source: Robeco, Hymans Robertson; please note, some issuers may be duplicated, given ISIN data. As this data may be presented publicly, we do not report on the progress of specific engagements, given the sensitivities in the ongoing engagement relationship with corporates.

Case Studies

Russell Investments: direct engagement

Russell continued its engagement with Haleon’s executive team on climate resilience and natural-capital management, focusing on reducing scope 3 emissions and virgin plastic use. Haleon aims for a 42% reduction in Scope 3 emissions by 2030 and is engaging around 400 suppliers, with 50 having set science-based targets,

though annual supplier reductions and the financial impact of carbon pricing are not yet disclosed. On packaging, 89% is now recycle ready, though virgin plastic use increased in 2023; pilots for recycling initiatives are underway though there is currently no set rollout timeline. Russell will follow up on supplier emissions data, interim scope 3 targets, and annual disclosure of virgin plastic metrics and recycling plans.

**Russell investments: direct engagement**

Russell engaged with Centrica on its climate transition strategy, welcoming improved disclosure and stronger interim targets in the 2025 Climate Transition Plan, which now links climate performance to executive pay. However, Russell noted that Centrica's scope 3 ambition is not yet 1.5°C aligned and encouraged clearer pay-linked climate metrics. Centrica highlighted the need for greater government support to enable customer decarbonisation and agreed to share its top policy priorities for potential investor advocacy. Russell will continue to monitor progress on remuneration, scope 3 targets, and policy developments.

## Emerging Markets Sub-Fund:

### Key Metrics as at 30 September 2025

#### Key characteristics

Fund value	£333m
Underlying managers	Artisan, Axiom, Barrow Hanley, Bin Yuan, Numeric, Oaktree

Source: Waystone/Russell

#### Top-10 holdings (by AUM)

1. TSMC	6. MediaTek
2. Tencent	7. AngloGold
3. Alibaba	8. Bharti Airtel
4. SK Hynix	9. Xiaomi
5. Samsung	10. Ping An Insurance Group

Source: Waystone/Russell

#### Climate metrics

Figures as at 30 September 2025	Fund	Coverage	Benchmark	Coverage
WACI (tCO <sub>2</sub> e/\$m sales)	146.1	>94%	276.9	>99%
WACI EVIC (tCO <sub>2</sub> e/\$EVIC)	83.2	>94%	113.1	>99%
Carbon emissions (tCO <sub>2</sub> e/£m invested)	220.2	>94%	263.2	>99%
Holdings with exposure to FF reserves	3.9%	Not applicable	6.1%	Not applicable
Approved Science-Based Targets (%)	18.9%	Not applicable	20.9%	Not applicable

Source: MSCI; Hymans Robertson; Benchmark: MSCI EM

#### ESG metrics

Figures as at 30 September 2025	Fund	Coverage	Benchmark	Coverage
Overall ESG score	5.3	>92%	5.2	>98%
E pillar	6.1	>92%	6.1	>98%
S pillar	5.3	>92%	5.2	>98%
G pillar	5.3	>92%	5.0	>98%
UNGC violators	1.8%	>94%	1.0%	>99%

Source: MSCI; Hymans Robertson; Benchmark: MSCI EM

## Emerging Markets Sub-Fund:

### Stewardship Summary

#### Voting Summary (Q3 2025)

Number of meetings		131	
Proposals voted		1,050	
Meetings with at least one vote against management		52 (40%)	
For	941	With management	940
Against	107	Against Management	106
Abstain	2	Not applicable	4

#### Key votes

##### Britannia Industries (11 August 2025, India)

At the AGM of Britannia Industries, shareholders voted on standard proposals including the approval of accounts, profit allocation and auditor appointment. Robeco supported all agenda items except the election of the Chairman of the Board, a member of the Wadia family, who holds a controlling stake in the company. The decision not to support the Chairman's election was due to concerns over Britannia's significant exposure to forest risk commodities without sufficient policies or processes to mitigate their impact. Despite these concerns, the Chairman's re-appointment was approved by a large majority.

##### Naspers (21 August 2025, South Africa)

At Naspers' AGM, Robeco voted against the election of the audit committee chair due to concerns over independence, as well as against both the remuneration policy and implementation report. Persistent issues included reliance on a single performance metric for long-term incentives, short vesting periods, excessive CEO pay, and insufficient disclosure of incentive limits. Despite some improvements in disclosure, ongoing shareholder dissent and lack of meaningful response to concerns justified these votes.

##### Nu Holdings (8 September 2025, Cayman Islands)

At the AGM of Nu Holdings', the Brazilian digital-banking-services company, Robeco voted against the board elections. Robeco is generally concerned with board elections that follow a 'slate' method (ie where shareholders vote for the entire board rather than individual directors), as is the case at Nu. However, this would not always mean a default vote against. Rather, Robeco voting against was based on governance concerns, including: lack of auditor ratification (by shareholders); a multi-class share structure without a sunset provision; insufficient disclosure of previous proxy voting results; and low board gender diversity. The slate was approved, with 97% of shareholders voting for.

#### Engagement Summary (Q3 2025)

Of the issuers held in the Sub-Fund that that were engaged over the quarter, the vast majority of AUM comes from companies domiciled in China and South Korea. A list of companies by engagement theme is set out below.

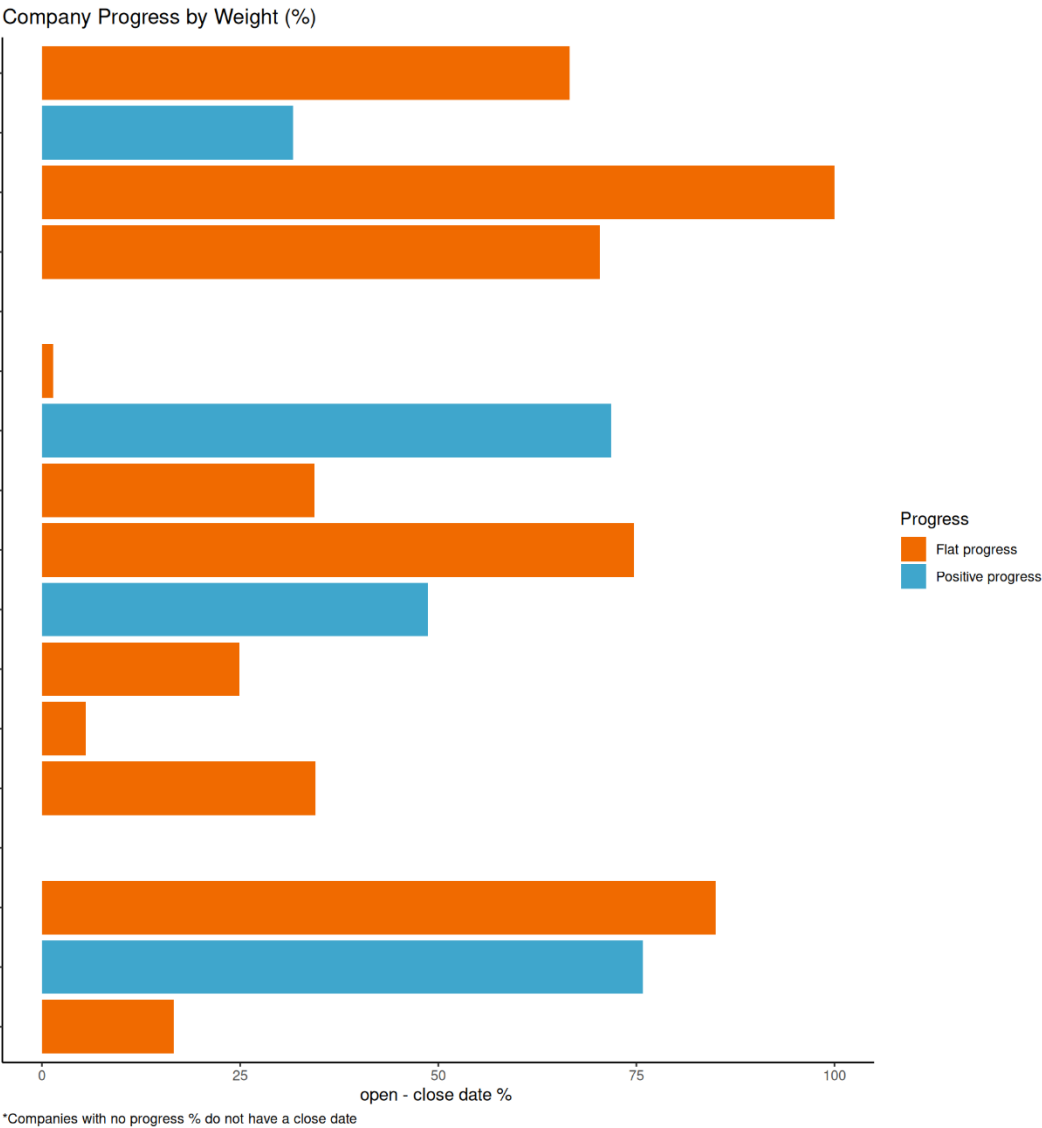


Theme	Companies
AGM Engagement 2025	Mahindra & Mahindra
Biodiversity	Contemporary Amperex Technology
Climate and Nature Transition of Financial Institutions	ICICI Bank, DBS Group
Good Governance	Prosus, ORLEN
Nature Action 100	Alibaba Group
Net Zero Carbon Emissions	BYD, Haier Smart Home Co, Hynix Semiconductor, Hyundai Motor, Siemens Energy AG, Ternium
SDG Engagement	Infosys, Meta, Hon Hai Precision Industry
Transition Minerals	Contemporary Amperex Technology, Mahindra & Mahindra, Vale

Source: Robeco, Hymans Robertson

### Progress by company

Engagements are typically for a period of three years, although Robeco will close an engagement if the objectives are achieved early or if attempts to engage the company are unsuccessful. As at 30 September 2025, Robeco notes the following progress:



Source: Robeco, Hymans Robertson; please note, some issuers may be duplicated, given ISIN data. As this data may be presented publicly, we do not report on the progress of specific engagements, given the sensitivities in the ongoing engagement relationship with corporates.

Case study

Russell Investment: direct engagement

Russell Investments engaged Barrick Gold on governance and human-rights risks in high-risk jurisdictions. The company has introduced standards aligned with international principles, and implemented training and oversight measures. Russell encouraged greater transparency through site-level KPIs, independent assurance and stronger board oversight. Follow-up will focus on governance and safety disclosures, adoption of a social performance dashboard and progress on risk scenario planning.

## Sustainable Active Equity Sub-Fund:

### Key Metrics as at 30 September 2025

#### Key characteristics

Fund value	£1.7bn
Underlying managers	Mirova, Neuberger Berman, Sparinvest, Wellington

Source: Waystone/Russell

#### Top-10 holdings (by AUM)

1. Microsoft	6. Ebay
2. Nvidia	7. Alphabet
3. ASML	8. Mastercard
4. Visa	9. Danaher
5. TSMC	10. L'Oreal

Source: Waystone/Russell

#### Climate metrics

Figures as at 30 September 2025	Fund	Coverage	Benchmark	Coverage
WACI (tCO <sub>2</sub> e/\$m sales)	71.1	>95%	112.9	>99%
WACI EVIC (tCO <sub>2</sub> e/\$EVIC)	41.4	>95%	39.3	>99%
Carbon emissions (tCO <sub>2</sub> e/£m invested)	67.6	>95%	77.2	>99%
Holdings with exposure to FF reserves	1.3%	Not applicable	5.5%	Not applicable
Approved Science-Based Targets (%)	62.8%	Not applicable	52.7%	Not applicable

Source: MSCI; Hymans Robertson; Benchmark: MSCI ACWI

#### ESG metrics

Figures as at 30 September 2025	Fund	Coverage	Benchmark	Coverage
Overall ESG score	5.9	>95%	5.5	>99%
E pillar	6.9	>95%	6.6	>99%
S pillar	5.5	>95%	5.1	>99%
G pillar	6.2	>95%	5.6	>99%
UNGC violators	0.0%	>95%	0.2%	>99%

Source: MSCI; Hymans Robertson; Benchmark: MSCI ACWI

## Sustainable Active Equity Sub-Fund:

### Stewardship Summary

#### Voting Summary (Q3 2025)

Number of meetings		7	
Proposals voted		107	
Meetings with at least one vote against management		2 (29%)	
For	105	With management	105
Against	2	Against Management	2
		Not applicable	0

#### Key Votes

No key votes to report over this period.

#### Engagement Summary (Q2 2025)

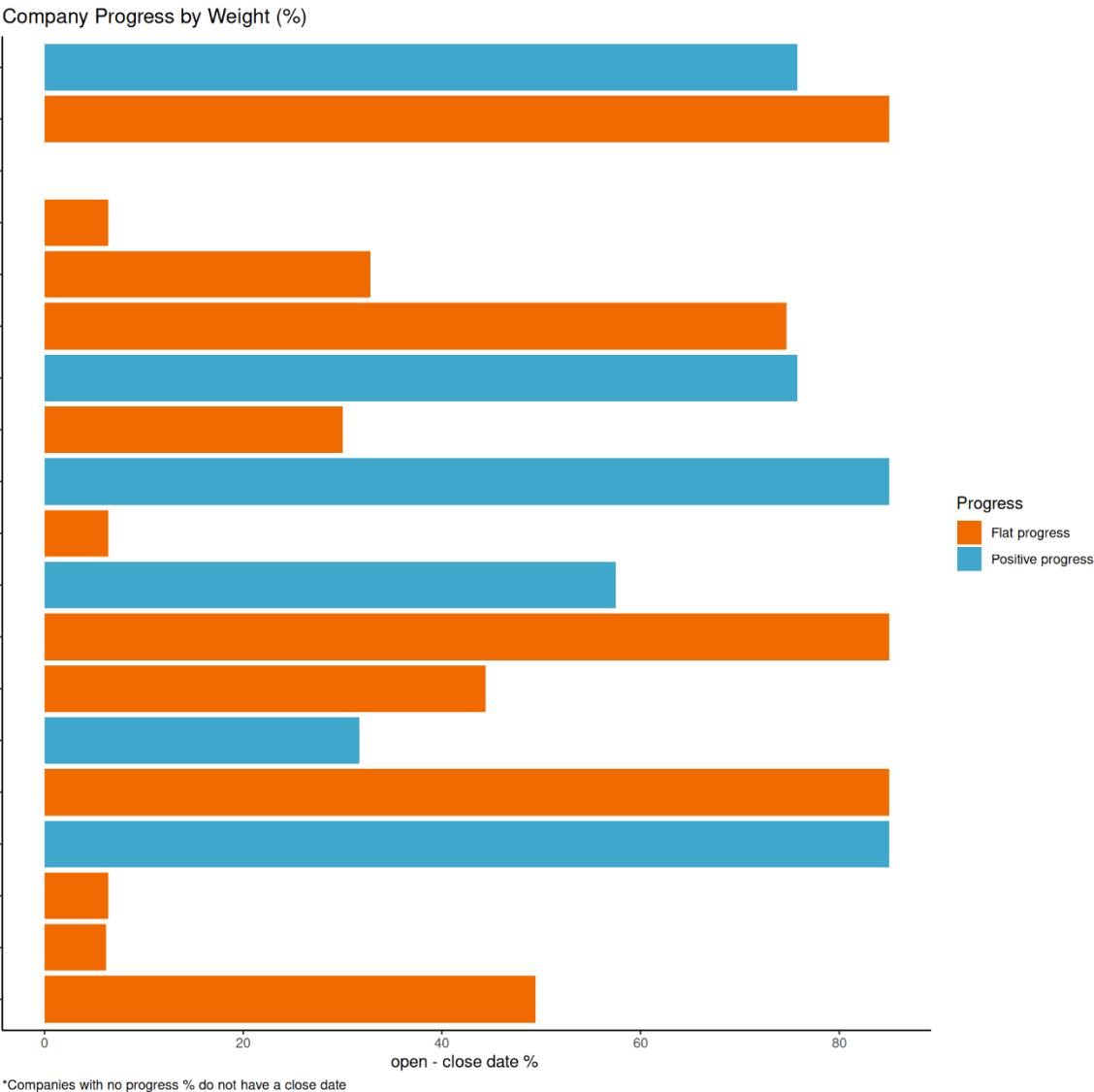
Of the issuers held in the Sub-Fund that were engaged over the quarter, the vast majority of AUM comes from companies domiciled in the US or the Netherlands. A list of companies by engagement theme is set out below.

Theme	Companies
AGM engagement 2025	Thermo Fischer Scientific
Climate and Nature Transition of Financial Institutions	DBS Group, ING Groep
Fashion Transition	Inditex
Good Governance	TravelSky, Unilever, Toyota
Net Zero Carbon Emissions	Air Liquide, Hynix Semiconductor
SDG Engagement	Adobe, Amazon, Broadcom, NASDAQ, Salesforce, Sony, Trane Tech
Tax Transparency	Schneider Electric, Sanofi-Aventis, Henkel

Source: Robeco, Hymans Robertson

#### Progress by company

Engagements are typically for a period of three years, although Robeco will close an engagement if the objectives are achieved early or if attempts to engage the company are unsuccessful. As at 30 September 2025, Robeco notes the following progress:



Source: Robeco, Hymans Robertson; please note, some issuers may be duplicated, given ISIN data. As this data may be presented publicly, we do not report on the progress of specific engagements, given the sensitivities in the ongoing engagement relationship with corporates.

Case Study

Russell Investment: direct engagement

Russell engaged Owens Corning, one of the names on WPP’s climate-focus list, on climate strategy and integration of decarbonisation goals into business planning. The company has science-based 2030 targets and significant progress on scopes 1 and 2 reductions, while scope 3 efforts are expanding. Owens Corning is investing in lower-carbon technologies and renewable energy, with over half of revenue now linked to green products. Russell will encourage a formal net-zero commitment, a published transition plan, and clearer links between capital allocation and emissions reduction.

Russell Investment: direct engagement

Russell engaged NextEra Energy, another name on the climate-focus list, on its long-term decarbonisation strategy and delivery of the Real Zero 2045 ambition. Hydrogen and other technologies are at pilot stage and detailed long-

term spending plans have not been disclosed. Russell will encourage publication of a comprehensive 2045 roadmap, and continue monitoring progress on technology pilots, gas dependency and demand impacts from EVs and data centres.

## Global Credit Sub-Fund:

### Key Metrics as at 30 September 2025

#### Key characteristics

Fund value	£1.0bn
Underlying managers	Fidelity, MetLife, Robeco, Coolabah

Source: Waystone/Russell

#### Climate metrics

Figures as at 30 September 2025	Fund	Coverage	Benchmark	Coverage
WACI (tCO <sub>2</sub> e/\$m sales)	207.0	>73%	197.3	>84%
WACI EVIC (tCO <sub>2</sub> e/\$EVIC)	66.5	>72%	69.0	>82%
Carbon emissions (tCO <sub>2</sub> e/£m invested)	99.4 <sup>†</sup>	>73%	441.0	>84%
Holdings with exposure to FF reserves	3.3%	Not applicable	5.5%	Not applicable
Approved Science-Based Targets (%)	16.6%	Not applicable	28.7%	Not applicable

Source: MSCI; Hymans Robertson; Benchmark: Bloomberg Barclays Global Agg

<sup>†</sup> To note, one issuer has been removed from this data run, insurer American National Group, given a reporting error from the MSCI data on that specific issuer; we have flagged this with the data provider and will re-run the data once this data point has been corrected.

#### ESG metrics

Figures as at 30 September 2025	Fund	Coverage	Benchmark	Coverage
Overall ESG score	5.6	>72%	5.7	>82%
E pillar	7.5	>72%	6.8	>82%
S pillar	4.9	>72%	5.2	>82%
G pillar	6.0	>72%	6.0	>82%
UNGC violators	0.2%	>74%	0.0	>84%

Source: MSCI; Hymans Robertson; Benchmark: Bloomberg Barclays Global Agg



# Global Credit Sub-Fund:

## Stewardship Summary

### Engagement Summary (Q3 2025)

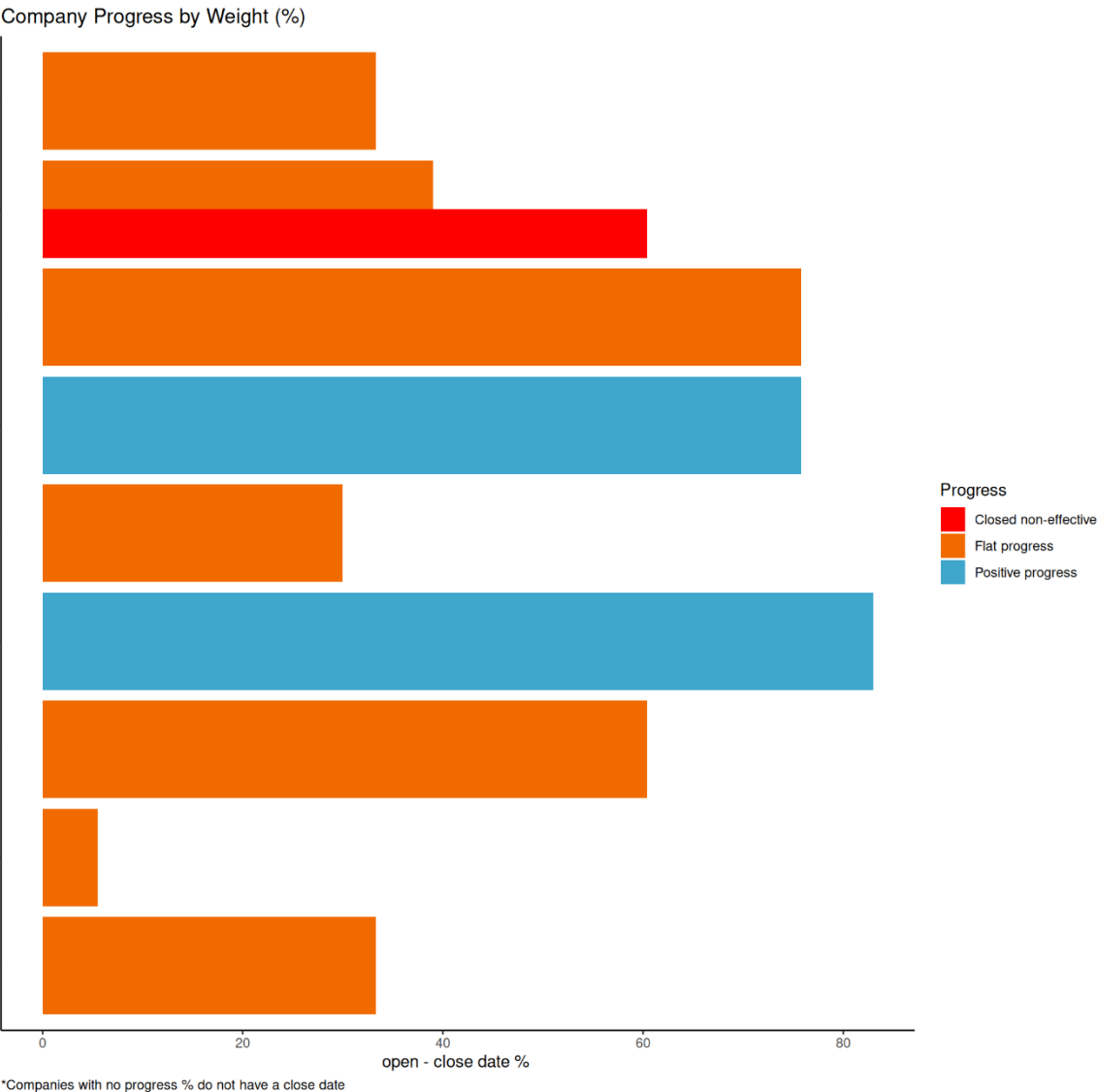
Of the issuers held in the Sub-Fund that were engaged over the quarter, the vast majority of AUM comes from companies domiciled in the US. A list of companies by engagement theme is set out below.

Theme	Companies
Climate Transition of Financial Institutions	Bank of America, ING Groep
Ocean Health	Carnival, Royal Caribbean Cruises
SDG Engagement	Broadcom, Total, AbbVie
Tax Transparency	AbbVie, McDonalds
Transition Minerals	LG Energy Solution

Source: Robeco, Hymans Robertson

### Progress by company

Engagements are typically for a period of three years, although Robeco will close an engagement if the objectives are achieved early or if attempts to engage the company are unsuccessful. As at 30 September 2025, Robeco notes the following progress:



Source: Robeco, Hymans Robertson; please note, some issuers may be duplicated, given ISIN data. As this data may be presented publicly, we do not report on the progress of specific engagements, given the sensitivities in the ongoing engagement relationship with corporates.

Closed Engagements

Closed non-effective engagements

Tax transparency

As noted above, under the tax transparency theme, Robeco closed engagements with some US issuers, in favour of targeting European companies more receptive to engagement. To this end, Robeco closed its engagement with two names, given a lack of progress on both.

Case Studies

Russell Investment: direct engagement

Russell Investments engaged Pinnacle West on its carbon-neutral 2050 goal, natural gas reliance and transparency in planning. The company retains gas as a bridge fuel and is adding hydrogen-ready turbines, but lacks a clear phase-down pathway and interim targets. Scope 3 disclosure remains limited, and capex transparency lags peers. Russell will encourage publication of a post-2038 pathway, expansion of scope 3 coverage, and improved disclosure on climate resilience and capital planning.

**Russell Investment: enhanced oversight**

Russell Investments engaged with ArcelorMittal, a name on WPP's climate-focus list, on its decarbonisation strategy and transition risks as a major steel producer. Discussions focused on capital allocation, green steel investments and the impact of policy measures such as EU Carbon Border Adjustment Mechanism. While targets are viewed as credible, uncertainty around tariffs and subsidies may affect project timelines. Russell will continue to monitor progress on aligning financial decisions with emissions goals and ensuring resilience in a challenging market environment.

## Sterling Credit Sub-Fund:

### Key Metrics as at 30 September 2025

#### Key characteristics

Fund value	£708.5m
Underlying managers	Fidelity

Source: Waystone

#### Climate metrics

Figures as at 30 September 2025	Fund	Coverage	Benchmark	Coverage
WACI (tCO <sub>2</sub> e/\$m sales)	24.9	>70%	52.2	>91%
WACI EVIC (tCO <sub>2</sub> e/\$EVIC)	10.4	>70%	19.6	>90%
Carbon emissions (tCO <sub>2</sub> e/£m invested)	13.5	>70%	24.5	>91%
Holdings with exposure to FF reserves	0.7%	Not applicable	2.4%	Not applicable
Approved Science-Based Targets (%)	18.0%	Not applicable	27.9%	Not applicable

Source: MSCI; Hymans Robertson; Benchmark: ICE BoA Euro-Sterling

#### ESG metrics

Figures as at 30 September 2025	Fund	Coverage	Benchmark	Coverage
Overall ESG score	5.8	>67%	6.2	>88%
E pillar	7.4	>67%	7.0	>88%
S pillar	5.2	>67%	5.8	>88%
G pillar	6.0	>67%	6.5	>88%
UNGC violators	0.0%	>71%	0.0%	>91%

Source: MSCI; Hymans Robertson; Benchmark: ICE BoA Euro-Sterling

## Multi-Asset Credit Sub-Fund:

### Key Metrics as at 30 September 2025

#### Key characteristics

Fund value	£876.5m
Underlying managers	Barings, BlueBay, ICG, ManGLG, Voya

Source: Waystone/Russell

#### Climate metrics

Figures as at 30 September 2025	Fund	Coverage
WACI (tCO <sub>2</sub> e/\$m sales)	187.5	>23%
WACI EVIC (tCO <sub>2</sub> e/\$EVIC)	97.9	>23%
Carbon emissions (tCO <sub>2</sub> e/£m invested)	175.4	>23%
Holdings with exposure to FF reserves	1.8%	Not applicable
Approved Science-Based Targets (%)	5.3%	Not applicable

Source: MSCI; Hymans Robertson

#### ESG metrics

Figures as at 30 September 2025	Fund	Coverage
Overall ESG score	5.2	>22%
E pillar	6.5	>22%
S pillar	4.8	>22%
G pillar	5.6	>22%
UNGC violators	2.9%	>25%

Source: MSCI; Hymans Robertson

Please note a low level of coverage for the MAC Sub-Fund, given the nature of the holdings (including derivatives, government and quasi-government bonds, and securitised products). The majority of the data that is available is from listed corporate bonds. Given the low data availability, this may result in: (1) marked fluctuations in metrics from quarter to quarter; (2) the reported metrics not being representative of the portfolio as a whole.

The nature of the MAC Sub-Fund means that adopting a single benchmark comparator may not be appropriate. At this time, we have therefore not shown a benchmark.

## Absolute Return Bond Sub-Fund:

### Key Metrics as at 30 September 2025

#### Key characteristics

Fund value	£532.8m
Underlying managers	Aegon, Wellington, Oaktree, DNCA

Source: Waystone/Russell

#### Climate metrics

Figures as at 30 September 2025	Fund	Coverage
WACI (tCO <sub>2</sub> e/\$m sales)	65.5	>16%
WACI EVIC (tCO <sub>2</sub> e/\$EVIC)	36.7	>16%
Carbon emissions (tCO <sub>2</sub> e/£m invested)	204.9	>16%
Holdings with exposure to FF reserves	0.0%	Not applicable
Approved Science-Based Targets (%)	3.4%	Not applicable

Source: MSCI; Hymans Robertson

#### ESG metrics

Figures as at 30 September 2025	Fund	Coverage
Overall ESG score	5.1	>16%
E pillar	6.6	>16%
S pillar	4.6	>16%
G pillar	5.8	>16%
UNGC violators	0.0%	>16%

Source: MSCI; Hymans Robertson

Please note a low level of coverage for the ARB Sub-Fund, given the nature of the holdings (including derivatives, government and quasi-government bonds, and securitised products). The majority of the data that is available is from listed corporate bonds. Given the low data availability, this may result in: (1) marked fluctuations in metrics from quarter to quarter; (2) the reported metrics not being representative of the portfolio as a whole.

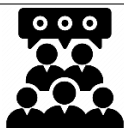
The nature of the ARB Sub-Fund means that adopting a single benchmark comparator may not be appropriate. At this time, we have therefore not shown a benchmark.

## Appendix 1: WPP stewardship themes (2025/26)



### Focusing on net zero

Organisations, particularly those in materially affected sectors, should be developing and implementing transition plans to ensure that the long-term migration to a low-carbon economy is orderly. Companies should ensure that plans are published, and climate management disclosures are comprehensive and available for investor scrutiny. We believe supporting nature resilience is a key component in achieving net zero, given the interconnectedness of nature and climate. These must therefore be addressed together. We believe companies should therefore be taking steps to address and report on nature dependencies and impacts within their supply chains.



### Supporting people

An organisation's workforce is one of its most valuable assets, and it is incumbent on the organisation to ensure that its people are properly managed and rewarded. This includes the consideration of people within supply chains, which can often be areas of lower scrutiny. Technological disruption is increasingly relevant when it comes to workers – whether that's the rise in automation or use of artificial intelligence and machine learning, or because of the shift away from a fossil-fuel-dependent economy towards a lower-carbon one. Organisations must therefore ensure: adequate human-capital-management due-diligence practices are in place; risks and opportunities (around AI, the just transition) have been considered; appropriate management plans are in place, to mitigate against any adverse impacts on workers. While acknowledging that engagement may be nuanced, given unique regional, sector and size circumstances, WPP is particularly supportive of engaging with UK companies on the alignment of their wage structures with the Living Wage Foundation's guidance.



### Delivering sustainable outcomes (governance)

Sustainable governance practices are central to how an organisation is run, as many environmental and social failures can be traced back to weaker governance practices. We believe organisations should be managed in such a way as to ensure sustainable, long-term value creation with a focus on strong risk management, particularly in relation to emerging sources of risk. Organisations should be transparent in how they assess and manage any ESG risks within their supply chains and in their strategies. This should include: monitoring (and, where appropriate, reporting on) ESG due-diligence practices; how ESG is incorporated into corporate decision-making; incorporating ESG criteria into compensation awards; performance criteria that promotes the management of both financial and non-financial risks; performance criteria that is linked to company goals; more structured (ie less discretionary) performance-evaluation frameworks for both short-term and long-term incentive awards (especially executive bonus calculations).



## Appendix 2: issuers under engagement (Q3 2025)

### ENVIRONMENT

#### Biodiversity

Axfood AB  
Cranswick PLC  
Kimberly-Clark Corp  
Unilever  
VF Corp

#### Climate and Nature

#### Transition of Financial

#### Institutions

Bank of America Corp.  
Citigroup, Inc.  
DBS Group Holdings  
ICICI Bank Ltd  
ING Groep NV  
JPMorgan Chase & Co.,  
Inc.

#### Hazardous Chemicals

3M Co  
AkzoNobel  
Albemarle Corp  
Honeywell International

#### Natural Resource

#### Management

Ambev SA  
CF Industries Holdings,  
Inc.  
PepsiCo, Inc.  
Tronox Holdings Plc

#### Nature Action 100

Ahold  
Corteva, Inc.  
Sociedad Quimica y  
Minera SA

#### Net Zero Carbon

#### Emissions

A O Smith Corp  
Air Liquide SA  
Celanese Corp  
CEZ as  
Cheniere Energy Inc  
Cummins, Inc.  
Darling Ingredients Inc  
Doosan Bobcat Inc  
Dow Inc  
Duke Energy Corp.  
Fortescue Metals Group  
Ltd.  
Haier Smart Home Co.,  
Ltd.

Hynix Semiconductor,  
Inc.

JSW Group  
Mando Corp.  
Petroleo Brasileiro  
Repsol  
Shell PLC  
Siemens Energy AG  
Sumitomo Forestry Co  
Ltd  
Ternium SA  
Veolia Environnement  
SA  
Yutong Bus Co Ltd

#### Ocean Health

Evergreen Marine Corp  
Taiwan Ltd  
Leroy Seafood Group  
ASA  
MISC Bhd  
Thai Union Frozen  
Products Public Co. Ltd.

#### Sound Environmental

#### Management

Rio Tinto

#### SOCIAL

#### Human Capital

#### Management

Eli Lilly & Co.  
Netflix Inc

#### Just Transition in

#### Emerging Markets

Ganfeng Lithium Group  
Co Ltd  
Impala Platinum  
Holdings Ltd  
Reliance Industries Ltd

#### Modern Slavery in

#### Supply Chains

Associated British Foods  
Plc  
Canon  
General Mills  
Giant Manufacturing Co  
Ltd  
Hon Hai Precision  
Industry Co. Ltd.  
Wal-Mart Stores  
Wesfarmers Ltd

#### Sound Social

#### Management

Baidu, Inc.  
Tencent Holdings Ltd.

#### GOVERNANCE

#### Corporate Governance

#### Standards in Asia

INPEX Corp.  
Panasonic Corp.  
ROHM Co. Ltd.

#### Corporate Governance

#### in Emerging Markets

CPFL Energia SA

#### Good Governance

Adyen NV  
Ahold  
Arcadis NV  
DSM-Firmenich AG  
FUJIFILM Holdings Corp  
Grifols SA  
New Oriental Education  
& Technology Group Inc  
Northland Power Inc  
Philips  
Prosus NV  
Signify NV  
TravelSky Technology  
Ltd  
Unilever

#### Tax Transparency

Microsoft  
Thermo Fisher Scientific,  
Inc.

#### SUSTAINABLE

#### DEVELOPMENT

#### GOALS

#### Fashion Transition

Adidas  
Beiersdorf AG  
Brunello Cucinelli SpA  
Bureau Veritas SA  
Cintas Corp.  
Compagnie Financiere  
Richemont  
Crocs Inc  
Deckers Outdoor Corp  
DSM-Firmenich AG  
Companies under  
Engagement  
Eclat Textile Co Ltd

Galderma Group AG

Hermes International

SCA

Inditex

Intercos SpA

JD Sports Fashion PLC

Kering

L Oréal

Levi Strauss & Co

LVMH Moët Hennessy

Louis Vuitton

Marimekko Oyj

MercadoLibre Inc

Moncler SpA

NIKE

Novozymes

On Holding AG

Pandora A/S

Puma

Ross Stores Inc

Shopify Inc

Silgan Holdings Inc

Stella International

Holdings Ltd

The TJX Cos.

Unilever

Watches of Switzerland

Group PLC

Zalando SE

Zebra Technologies

Corp

#### SDG Engagement

AbbVie, Inc.

Adobe Systems, Inc.

Amazon.com, Inc.

Amgen

AutoZone Inc

Banco BTG Pactual S.A.

Broadcom Inc

Capital One Financial

Corp.

CB Richard Ellis Group,

Inc.

Deutsche Boerse

Deutsche Telekom

Elevance Health Inc


Haleon PLC

Hitachi Ltd.

Infosys Ltd

Jeronimo Martins

Lowe's Cos Inc



LyondellBasell Industries  
NV  
Meta Platforms Inc  
Mr. Price Group Ltd.  
NASDAQ OMX Group,  
Inc.  
Novartis  
OTP Bank Nyrt  
PayPal Holdings, Inc.  
Salesforce.com, Inc.  
Sandvik AB  
Sony  
STMicroelectronics NV  
Sumitomo Mitsui  
Financial Group, Inc.  
Tencent Holdings Ltd.

Total  
Trane Technologies PLC  
Volvo Group

**VOTING RELATED  
ENGAGEMENTS**

**AGM engagement 2025**  
Doosan Bobcat Inc  
Schneider Electric SA

**EHANCED  
ENGAGEMENTS**

**Acceleration to Paris**  
Aluminum Corp of China  
Ltd  
Anhui Conch Cement  
Co. Ltd.

Berkshire Hathaway  
Caterpillar, Inc.  
China Longyuan Power  
Group Corp Ltd  
China National Building  
Material Co. Ltd.  
China State Construction  
Engineering Corp Ltd  
Continental Resources,  
Inc.  
Hunan Valin Steel Co  
Ltd  
Sany Heavy Industry Co  
Ltd  
Toyota Industries Corp  
WH Group Ltd. (HK)

**Acceleration to Zero-  
Deforestation**

JBS SA  
WH Group Ltd. (HK)

**Global Controversy**

**Engagement**

Adani Ports & Special  
Economic Zone Ltd.  
Lockheed Martin Corp  
Mattel  
Raytheon Technologies  
Corp  
Zijin Mining Group Co.  
Ltd.

## Appendix 3: metrics definitions

MSCI ESG Research LLC data coverage:

The MSCI ESG Ratings product measures exposure to and management of key ESG risks and opportunities for more than 10,000 companies (16,500 issuers including subsidiaries). The offering includes company level ratings, scores, and data, as well as company, industry and thematic reports.

MSCI ESG Climate Change Metrics provides: carbon emissions, fossil-fuel exposure, environmental impact (ie clean technology) data and screens, as well as climate-related risk exposure and management assessment & target scorecard, on more than 11,000 companies.

More info here: [link](#)

To note, the metrics used in this report cover corporate issuers, but do not currently cover sovereign issuers. This means that coverage across the fixed-income funds will be lower than among listed-equity funds. In addition, certain products (for example, securitised products) will not return data from the parent issuer, resulting in reduced coverage. The above may result in much lower coverage for the MAC and ARB Sub-Funds in particular. This may also result in marked fluctuations in data output from quarter to quarter.

Metric	Description/Methodology
ESG Rating	A final ESG Rating. At a company level, this represents the weighted average of individual 'E', 'S' and 'G' pillars. The weight given to each pillar is dictated by MSCI's process, which determines the relevance of each pillar to a given company and sector. At a portfolio level, this is the weighted average of individual company scores by the weight in the portfolio.
Environmental Score	The Environmental Pillar Score, at a company level, represents the weighted average of all Key Issues that fall under the Environment Pillar.
Social Score	The Social Pillar Score, at a company level, represents the weighted average of all Key Issues that fall under the Social Pillar.
Governance Score	The Governance Pillar Score, at a company level, represents the weighted average of all Key Issues that fall under the Governance Pillar.
UNGC Violators	This factor indicates the percentage of the portfolio exposed to companies that violate the United Nations Global Compact principles.
Weighted Average Carbon Intensity (WACI)	A measure of a portfolio's exposure to carbon-intense companies. This is expressed in terms of tons of CO <sub>2</sub> equivalent emitted per million dollars of revenue, weighted by the size of the allocation to each company. This is measured using Scope 1 + Scope 2 emissions.
Weighted Average Carbon Intensity (EVIC)	A measure of a portfolio's exposure to carbon-intense companies. This represents companies' most recently reported or estimated Scope 1 & Scope 2 greenhouse gas emissions, normalised by enterprise value including cash (USD). This ratio facilitates portfolio analysis by allocating emissions across equity and debt.

Metric	Description/Methodology
Total Carbon Emissions	This represents the portfolios estimated Scope 1 + Scope 2 greenhouse gas emissions. This is expressed in terms of thousand tons of CO <sub>2</sub> equivalent emitted by the companies invested in by the portfolio, weighted by the size of the allocation to each company.
% of Portfolio with Ties to Fossil Fuels Reserves	The percentage of the portfolio invested in companies with evidence of owning fossil fuel reserves regardless of their industries, including companies that own less than 50% of a reserves field. Fossil reserves are defined as proved and probable reserves for coal or proved reserves for oil and natural gas. Evidence of owning reserves includes companies providing the exact volume of reserves and companies making a statement about their ownership of reserves.
% of Portfolio with SBT Approved Target	The percentage of the portfolio invested in companies with one or more active carbon-emissions-reduction target(s) approved by the Science-Based Targets initiative (SBTi).
Scope 1 emissions	Scope 1 emissions are those from sources owned or controlled by the company, typically direct combustion of fuel as in a furnace or vehicle.
Scope 2 emissions	Scope 2 emissions are those caused by the generation of electricity purchased by the company.

## Appendix 4: Risk Warnings and Disclaimer

### Risk warning

Please note the value of investments and income from them, may fall as well as rise. You should not make any assumptions about the future performance of your investments based on information contained in this document. This includes equities, government or corporate bonds, currency, derivatives, property and other alternative investments, whether held directly or in a pooled or collective investment vehicle. Further, investments in developing or emerging markets may be more volatile and less marketable than in mature markets. Exchange rates may also affect the value of an investment. As a result, an investor may not get back the full amount originally invested. Past performance is not necessarily a guide to future performance.

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