

Implementation Statement, covering the Fund Year from 1 January 2023 to 31 December 2023

Under the regulatory requirements now in force (principally comprising The Pension Protection Fund (Pensionable Service) and Occupational Pension Plans (Investment and Disclosure) (Amendment and Modification) Regulations 2018 (as amended) and the guidance published by the Pensions Regulator, the trustee of the Credit Suisse (UK) Pension Fund (the 'Fund') is required to produce a yearly statement to set out how, and the extent to which, the trustee has followed its Statement of Investment Principles ('SIP') during the Fund Year, as well as details of any review of the SIP during the Fund Year, subsequent changes made with the reasons for the changes, and the date of the last SIP review. Information is provided on the last review of the SIP in Section 1 and on the implementation of the SIP in Sections 2-12 below.

Until 31 July 2023, the trustee of the Fund was Credit Suisse First Boston Trustees Limited (the 'Previous Trustee'). The Previous Trustee was replaced as trustee of the Fund with the appointment of a professional corporate sole trustee, Independent Trustee Services Limited (referred to as 'ITS').

ITS was appointed as trustee of the Fund with effect from 1 August 2023. References to 'Trustee' in this Statement, in respect of the period prior to 1 August 2023, refer to the Previous Trustee and references to 'Trustee' in this Statement in respect of the period from 1 August 2023 to the year end, refer to ITS.

The Statement is also required to include a description of the voting behaviour during the Fund Year by, and on behalf of, the Trustee (including the most significant votes cast by the Trustee or on its behalf) and state any use of the services of a proxy voter during that year. This is provided in Section 13 below.

In preparing the Statement, the Trustee has had regard to the [guidance](#) on Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement, issued by the Department for Work and Pensions ('DWP's guidance') in June 2022.

This Statement is based on the Fund's SIP that was in place for the Fund during the Fund Year – the SIP dated 4 October 2022 (updated in May 2022 and signed in October 2022) and should be read in conjunction with this SIP.

This statement incorporates the Final Salary ('FS') Section, which is in relation to the Defined Benefit ('DB') Section and the Money Purchase ('MP') Section, which is in relation to the Defined Contribution ('DC') Section.

1. Introduction

No review of the SIP was undertaken during the Fund Year. However, the SIP was formally reviewed after the Fund Year end in April 2024 (and signed on 10 July 2024) to reflect the following:

- Wording around the Trustee's stewardship priorities;
- Updates to the investment strategy in the FS section;
- The Fund's policy regarding investment in illiquid assets in the MP section;
- The addition of the CSPF Global ESG Focussed Equity Fund to the Fund's self-select range in the MP section.

The Trustee has, in its opinion, followed all of the policies in the Fund's SIP during the Fund Year. The following Sections provide detail and commentary about how and the extent to which it has done so.

2. Investment objectives

FS Section

The primary objective for the FS Section is to ensure that the Fund should be able to meet benefit payments as they fall due. In practice, this means that the Trustee expects, with a high degree of confidence, that the Fund's assets meet its technical provisions plus a sufficient margin to allow for the possibility that future benefit obligations may exceed those assumed at the most recent valuation date ('self-sufficiency basis'), or (when there is a funding deficit on this basis) that there is an appropriate recovery plan in place and/ or that sufficient reserve assets (e.g. contingent contribution assets or assets held in escrow) are available to the Trustee to make up any shortfall.

There are a number of additional secondary objectives, which are outlined in the SIP. As at 31 December 2023, the Fund was in a strong position relative to its objectives.

MP Section

The performance and strategy of the default lifestyle strategy (the 'default') is reviewed at least every three years. The last review commenced in May 2021 and was completed in October 2021. Based on the outcome of this analysis, the Trustee concluded that the default had been designed to be in the best interests of the majority of the MP Section members and reflected the demographics of those members. The Trustee concluded that some enhancements to the strategy would be beneficial. These enhancements were implemented in March 2022.

The Trustee also provides members with access to a range of investment options which it believes are suitable for this purpose and enable appropriate diversification. The Trustee has made available two alternative lifestyle strategies and a self-select fund range to members covering all major assets classes. Whilst most of the changes resulting from the review were implemented during the previous Fund Year in March 2022, the Trustee agreed to add an active equity fund with an ESG focus, the addition of which was delayed due to developments in respect of the underlying fund. The review process continued over 2022 and early 2023 and the CSPF Global ESG Focussed Equity Fund was added to the self-select fund range at the end of April 2023.

3. Investment strategy

FS Section

The Trustee monitored the asset allocation on a quarterly basis and compared this to the strategic asset allocation, which were largely aligned over the Fund Year. The Trustee did not review the FS Section investment strategy over the Fund Year, though did make a minor change to the hedging profile.

MP Section

The Trustee did not review the DC investment strategy over the Fund Year. The next review is currently underway and the Trustee will include details in next year's Statement.

As mentioned in section 2, as part of the last review of investment strategy, which was undertaken during 2021, the Trustee agreed to add an active equity fund with an ESG focus. The CSPF Global ESG Focussed Equity Fund was added to the self-select fund range in April 2023.

The Trustee considered retirement data to see when members access their benefits in relation to their target retirement age as part of the last strategy review but not during the Fund Year.

4. Considerations in setting the investment arrangements

Both Sections of the Fund

The Trustee invests for the long term, to provide for the Fund's members and beneficiaries. To achieve good outcomes for members and beneficiaries over this investment horizon, the Trustee therefore seeks to appoint managers whose stewardship activities are aligned to the creation of long-term value and the management of long-run systemic risks.

FS Section

When deciding how to invest the Fund's assets, the Trustee considers a number of risks, including, but not limited to, those set out in Appendix 2 of the SIP. It also considers a wide range of asset classes for investment, considering the expected returns and key individual risks associated with those asset classes as well as how these risks can be mitigated where appropriate.

MP Section

As part of the performance and strategy review of the DC default arrangement over 2021, the Trustee considered the investment risks set out in Appendix 2 of the SIP. It also considered a wide range of asset classes for investment, taking into account the expected returns and risks associated with those asset classes as well as how these risks can be mitigated.

Investments in the DC default arrangements do not include illiquid assets (ie investments that cannot be easily or quickly be sold or exchanged for cash) as illiquid assets in DC pension schemes are a relatively new and

developing area. The Trustee will continue to monitor the area to see further performance track record of illiquid funds available to DC schemes before any decision to invest in these funds is made.

5. Implementation of the investment arrangements

Both Sections of the Fund

The Fund's investment adviser, Lane Clark & Peacock LLP ('LCP'), monitors the investment managers on an ongoing basis, through regular research meetings. The investment adviser monitors any developments at managers and informs the Trustee promptly about any significant updates or events they become aware of regarding the Fund's investment managers that may affect the managers' ability to achieve their investment objectives. This includes any significant change to the investment process or key staff for any of the funds the Fund invests in, or any material change in the level of diversification in the fund.

The Trustee was comfortable with all of its investment manager arrangements over the Fund Year.

The Trustee monitors the performance of the Fund's investment managers on a quarterly basis, using the quarterly performance monitoring reports produced by LCP. The report shows the performance of each fund over the quarter, one year and three years. Performance is considered in the context of the manager's benchmark and objectives.

FS Section

When deemed appropriate, the Trustee invites the Fund's investment managers to present at Trustee meetings. '

The most recent quarterly report shows that all managers have produced performance broadly in line with expectations over the long-term.

MP Section

The Trustee has entered into a contract with a platform provider, Fidelity, which makes available the range of investment options to members. As all the funds are accessed via an insurance agreement with the Fund's platform provider, there is no direct legal relationship between the Fund and the underlying investment managers of the MP Section investment funds. Nevertheless, the Trustee is responsible for appointing and providing governance oversight of the managers which the Fund accesses via the Fidelity arrangement.

As mentioned in section 2 and 3, the Trustee made available the CSPF Global ESG Focussed Equity Fund over the Fund Year. Before appointing Baillie Gifford as the underlying manager of this Fund, the Trustee received information on the investment process and philosophy, the investment team and past performance. The Trustee also considered the manager's approach to responsible investment and stewardship. The Trustee received formal written advice from its investment adviser, LCP, before making the Fund available. The Trustee relies on its investment adviser's research to understand managers' investment approaches, and ensure they are consistent with the Trustee's policies prior to any new appointment.

The quarterly DC report shows the performance of each manager over the quarter, 1 year and 3 year (annualised). The most recent report shows that all managers have produced performance broadly in line with expectations over the longer term.

In June 2023, the Trustee undertook a value for members assessment which assessed a range of factors, including the fees payable to managers in respect of the MP Section which were found to be competitive for a bundled trust-based arrangement.

6. Realisation of investments

FS Section

Where appropriate, the Trustee, on the administrators' recommendation, decided on the amount of cash required for benefit payments and other outgoings and informs the investment managers of any liquidity requirements. A working cash balance is held for imminent payments of benefits and expenses.

The Trustee receives income from the credit portfolios held with Insight, M&G and PIMCO, which is retained in the Northern Trust cash account and used towards paying benefit payments when needed (by transferring proceeds to the Trustee bank account when required).

In October 2023, the Trustee reviewed the Fund's cashflows requirements and made some changes to the Fund's cashflow policy.

MP Section

It is the Trustee's policy to invest in funds that offer daily dealing to enable members to readily realise and change their investments. All of the DC Section funds which the Trustee offered during the Fund Year are daily priced in normal market environments.

7. Financially material considerations, non-financial matters

Both Sections of the Fund

As part of its advice on the selection and ongoing review of the investment managers, the Fund's investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers' approaches to financially material considerations (including climate change and other ESG considerations), and its assessment of the nature and effectiveness of managers' approaches to voting and engagement.

FS Section

Over the previous Fund Year, the Trustee reviewed the Fund's credit managers' climate credentials, identifying areas to engage on with the respective managers. In February 2023, the Trustee reviewed the engagement responses and were satisfied with managers' improvements overall.

MP Section:

The Trustee makes available to members the CSPF Global ESG Aware Equity Fund, which aims to reduce its carbon exposure compared a market capitalisation index, within the default and alternative lifestyle strategies. The Trustee makes this Fund available based on financial considerations and in order to allow members to take account of climate-related risks.

The Trustee recognises that some members may wish to take further ESG matters than just climate into account in their investments and therefore, as mentioned earlier in this Statement, it has made available the CSPF Global ESG Focussed Equity Fund as a self-select investment option to members.

LCP presented its high-level review of the Fund's investment managers' climate credentials following the Fund year end, in March 2024, providing an update following the last review in May 2022. This review included detailed analysis on the climate-risk management and alignment with net zero goals of each of the fund managers invested as part of the popular DC arrangements (ie funds that have more than £100m invested or account of 10% or more of total Fund assets).

The review also included key actions for the Trustee to monitor the fund managers on. Overall, the Trustee was satisfied that its managers had embedded climate considerations into their philosophy and management processes and that all the managers were taking steps to improve their climate capabilities. However, the Trustee did note that all managers had areas for improvement and agreed to engage with BlackRock in particular given it holds the majority of the MP Fund assets. Further details are provided in section 8 below.

8. Voting and engagement

MP Section:

The Trustee has delegated to the investment managers the exercise of rights attaching to investments, including voting rights, and engagement. BlackRock is the only investment manager used with the MP Section's default strategy that holds physical equities, information on their voting policies are available here: <https://www.blackrock.com/corporate/literature/fact-sheet/blk-responsible-investment-engprinciples-global.pdf>

As part of its advice on the selection and ongoing review of the investment managers, the Fund's investment adviser incorporates its assessment of the nature and effectiveness of managers' approaches to voting and engagement.

Prior to its disbandment in August 2023 following the appointment of the new professional corporate sole trustee, at the Investment Committee meeting of the Previous Trustee in late 2022, the Trustee discussed and agreed the stewardship priorities for the Fund which were (i) Climate Change, (ii) Human Rights, (iii) Corporate Transparency

and Business Ethics. These were selected as they covered Environmental, Social and Governance topics which the Trustee felt were most relevant. The Trustee communicated these priorities to its managers in February 2023.

BlackRock presented to the Trustee on stewardship matters during the Fund Year, in February 2023. The presentation covered topics such as how BlackRock's voting and engagement policies align with the Trustee's priorities (using clear examples) and how progress against engagement objectives is monitored. The Trustee was satisfied that BlackRock's stewardship activity is appropriate to address the Trustee's priorities.

Following a review of the climate metrics and targets during the Fund Year, the Trustee met again with BlackRock following the Fund Year end in March 2024. Following a detailed review of the voting, engagement, stewardship and other responsible investment ('RI') practices of BlackRock, LCP set-out a list of key 'asks' for BlackRock to improve its stewardship practices which the Trustee supports. These 'asks' which were shared with BlackRock prior to the meeting, asked BlackRock to improve its reporting on engagement and account more for systemic risks in its engagement.

As part of its presentation, BlackRock provided several examples of its engagement with portfolio companies and any positive outcomes achieved as a result of these engagements. BlackRock also acknowledged that they are looking to improve reporting for their investors. The Trustee noted that BlackRock articulated its position much better as part of the presentation compared to its regular reporting. The Trustee agreed to continue to engage through LCP with BlackRock to improve its reporting.

9. Additional voluntary contributions (AVCs)

There are no policies in this section of the SIP.

10. Money purchase underpin

There are no policies in this section of the SIP.

11. Investment governance, responsibilities, decision-making and fees (Appendix 1 of SIP)

Both Sections of the Fund

As mentioned in Section 5, the Trustee assesses the performance of the Fund's investments on an ongoing basis as part of the quarterly monitoring reports it receives.

The performance of the professional advisers is considered on an ongoing basis by the Trustee.

The Trustee has put in place formal objectives for LCP and will review the adviser's performance against these objectives on a regular basis (the last review was carried out during the Fund Year in Q4 2023). Following the Fund Year end, the Trustee updated the objectives as a part of the triannual objectives review process.

During the Fund Year LCP provided further guidance to the Trustee on the Task force on Climate Related Financial Disclosures ("TCFD") requirements and reviewed various items, which will be reported in further detail in its second TCFD report covering the Fund Year.

12. Policy towards risk (Appendix 2 of SIP)

Risks are monitored on an ongoing basis with the help of the investment adviser, LCP.

The Trustee's policy for some risks, given their nature, is to understand them and to address them if it becomes necessary, based upon the advice of LCP or information provided to the Trustee by the Fund's investment manager. These risks are included in Appendix 2 of the SIP and include, but are not limited to, credit risk, liquidity risk and currency risk.

The following risks are covered earlier in this Statement: diversification risk in Sections 2 and 5, investment manager risk and excessive charges in Section 5, illiquidity/marketability risk in Section 6 and ESG risks in Section 7.

FS Section

For the Final Salary Section, a key objective of the Trustee is that, over the long-term, the Fund should generate its target return so that it has adequate assets to meet its liabilities as they fall due. The Trustee therefore invests the assets of the Fund to produce a sufficient long-term return in excess of the liabilities. There is also a risk that the

performance of the Fund's assets and liabilities diverges in certain financial and economic conditions in the short term. This risk has been taken into account in setting the investment strategy and is monitored by the Trustee on a regular basis.

The Fund's interest and inflation hedging levels are monitored on an ongoing basis. Over the Fund Year, the Fund's hedging levels were broadly in line with the target levels. In December 2023, the Trustee agreed new interest and inflation hedge ratio targets of 107% (on a Technical Provisions basis).

With regard to collateral adequacy risk, the Trustee ensures the Fund has a sufficient allocation to cash and other highly liquid assets which can be readily realised, so that cash can be posted to the LDI manager at short notice. In addition, the Fund only operates a negligible amount of leverage within the LDI portfolio.

Together, the investment and non-investment risks set out in Appendix 2 of the SIP give rise generally to funding risk. The Trustees formally reviews the Fund's funding position as part of its quarterly actuarial and investment report to allow for changes in market conditions. On a triennial basis the Trustees reviews the funding position allowing for membership and other experience.

MP Section

With regard to the risk of inadequate returns, the Trustee makes use of equity and equity-based funds, which are expected to provide positive returns above inflation over the long term. These are used in the Default and are also made available within the self-select fund range. These funds are expected to produce adequate real returns over the longer term.

In order to mitigate credit risk, the Trustee expects relevant fund managers to ensure that their relevant portfolios have a diversified exposure to different credit issuers.

Currency risk is also mitigated through a diverse currency exposure in the default strategy. The Trustee does not hedge any of the overseas currency back to Sterling.

The Trustee recognises that there are other, non-investment, risks faced by the Fund, and takes these into consideration as far as practical. The Trustee conducts due diligence into areas such as the structure of funds available to members, risk management processes of the fund managers and custodian arrangements.

13. Description of voting behaviour during the Fund Year

All of the Trustee's holdings in listed equities are within pooled funds and the Trustee has delegated to its investment managers the exercising of voting rights. Therefore, the Trustee is not able to direct how votes are exercised and the Trustee has not used proxy voting services over the Fund Year. However, the Trustee monitors managers' voting and engagement behaviour on an annual basis and challenges managers where their activity has not been in line with the Trustee's expectations. As mentioned in section 8, BlackRock presented to the Trustee on stewardship matters during the Fund Year, in February 2023, and again following the Fund Year end in March 2024. Please see section 8 for more details on what these presentations covered.

In this section, the Trustee has sought to include voting data in line with the Pensions and Lifetime Savings Association (PLSA) guidance, PLSA Vote Reporting template and the Department for Work and Pensions' ('DWP') stewardship guidance.

FS Section

The FS Section is not invested in any funds that hold physical equities.

MP Section

For the MP Section, the Trustee has included only the funds used in the Default over the Fund Year and self-select funds that hold a significant proportion of the Plan's assets. We have included voting data on the funds that hold physical equities as follows:

- BlackRock Global 50:50 Index Fund
- BlackRock Low Carbon Equity Tracker Fund
- BlackRock BCIF iShares Emerging Markets Equity Index Fund

13.1 Description of the voting processes

The Trustee relies on the voting policies which its managers have in place. In preparing this Statement the Trustee reviewed the votes which its managers deemed significant and in doing so it assessed the extent to which the outcomes of its managers' policies were consistent with its beliefs and priorities. The Trustee did not identify any votes made that were inconsistent with the Trustee's voting and engagement policies or preferences.

MP Section

BlackRock

Voting decisions are made by members of the BlackRock Investment Stewardship team with input from investment colleagues as required, in each case, in accordance with BlackRock's Global Principles and custom market-specific voting guidelines.

The team and its voting and engagement work continuously evolves in response to changing governance related developments and expectations. BlackRock's voting guidelines are market-specific to ensure it takes into account a company's unique circumstances by market, where relevant.

BlackRock's engagement priorities are global in nature and are informed by BlackRock's observations of governance related and market developments, as well as through dialogue with multiple stakeholders, including clients. It may also update its regional engagement priorities based on issues that it believes could impact the long-term sustainable financial performance of companies in those markets.

As outlined in its Global Principles, BlackRock determines which companies to engage with directly based on its assessment of the materiality of the issue for sustainable long-term financial returns and the likelihood of its engagement being productive. BlackRock's voting guidelines are intended to help clients and companies understand its thinking on key governance matters. They are the benchmark against which it assesses a company's approach to corporate governance and the items on the agenda to be voted on at the shareholder meeting. BlackRock applies its guidelines pragmatically, taking into account a company's unique circumstances where relevant. It informs its vote decisions through research and engage as necessary. If a client wants to implement their own voting policy, they will need to be in a segregated account. BlackRock's Investment Stewardship team would not implement the policy itself, but the client would engage a third-party voting execution platform to cast the votes.

BlackRock's proxy voting process is led by the BlackRock Investment Stewardship team, with input from the wider investment team as required, in accordance with BlackRock's Global Corporate Governance and Engagement Principles and custom market-specific voting guidelines.

While BlackRock subscribes to research from the proxy advisory firms Institutional Shareholder Services ('ISS') and Glass Lewis & Co ('Glass Lewis'), this is just one among many inputs into BlackRock's vote analysis process. BlackRock primarily uses proxy research firms to synthesise corporate governance information and analysis into a concise, easily reviewable format so that BlackRock Investment Stewardship analysts can readily identify and prioritise those companies where its own additional research and engagement would be beneficial. Other sources of information BlackRock uses include the company's own reporting (such as the proxy statement and the website), its engagement and voting history with the company, the views of its active investors, public information and ESG research.

Where BlackRock believes it will help to understand the voting decisions at shareholder meetings, BlackRock will publish a Voting Bulletin explaining the rationale for how it or, in this case, the independent fiduciary, has voted on select resolutions, and (where relevant) provide information around its engagement with the issuer. These bulletins are intended to explain their vote decision, including the analysis underpinning it and relevant engagement history when applicable, where the issues involved are likely to be high-profile and therefore of interest to its clients and other stakeholders, and potentially represent a material risk to the investments it undertakes on behalf of clients. BlackRock makes this information public shortly after the shareholder meeting, so clients and others can be aware of its vote determination when it is most relevant to them.

13.2 Summary of voting behaviour

A summary of voting behaviour over the Fund Year is provided in the table below.

	Fund 1	Fund 2	Fund 3
Manager name	BlackRock	BlackRock	BlackRock
Fund name	Low Carbon Equity Tracker Fund	BCIF Emerging Markets Equity Index Fund	Global 50:50 Index Fund

Total size of fund at end of the Fund Year	£6,051m	£3,345m	£5,126m
Value of Fund assets at end of the Fund Year (£ / % of total assets)	£655.1m / 56.1%	£72.8m / 6.3%	£167.9m / 14.4%
Number of equity holdings at end of the Fund Year	862	1,750	13,644
Number of meetings eligible to vote	940	3,763	2,484
Number of resolutions eligible to vote	13,671	29,932	33,994
% of resolutions voted	98%	97%	98%
Of the resolutions on which voted, % voted with management	96%	87%	94%
Of the resolutions on which voted, % voted against management	3%	12%	5%
Of the resolutions on which voted, % abstained from voting	0%	2%	0%
Of the meetings in which the manager voted, % with at least one vote against management	22%	42%	27%
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	0%	0%	0%

9.3 Most significant votes

MP Section

Commentary on the most significant votes over the Fund Year, from the Fund's asset managers who hold listed equities, is set out below.

Given the large number of votes which are cast by managers during every Annual General Meeting season, the timescales over which voting takes place and the resource requirements necessary to allow this, the Trustee did not direct any voting over the reporting period. Instead, the Trustee has retrospectively created a list of most significant votes by requesting each manager provide a shortlist of votes, a minimum of ten significant votes, and suggested they could use the PLSA's criteria for creating this shortlist.

The Trustee has interpreted 'most significant votes' to mean the votes for each fund that:

- were identified by the manager as a significant vote;
- impact a material fund holding, although this would not be considered the only determinant of significance, rather an additional factor; and
- serve as a representative example of the manager's voting approach to each of the Trustee's four stewardship priorities, as assessed by its investment adviser.

If members wish to obtain more investment manager voting information, this is available upon request from the Trustee.

BlackRock

During the period 1 January 2023 to 31 December 2023, BlackRock Investment Stewardship periodically published detailed explanations of specific key votes in 'vote bulletins'. These bulletins are intended to explain the vote

decision, including the analysis underpinning it and relevant engagement history when applicable, on certain high-profile proposals at company shareholder meetings. BlackRock makes this information public shortly after the shareholder meeting, so clients and others can be aware of their vote determination when it is most relevant to them. BlackRock considers these vote bulletins to contain explanations of the most significant votes for the purpose of evolving regulatory requirements.

BlackRock Global 50:50 Index Fund

- **Siemens AG, Germany, February 2023**

Summary of resolution: Approve Virtual-Only Shareholder Meetings Until 2025

Key topics: Corporate governance

Approx size of the holding at the date of the vote: 0.25%

Why this vote is considered to be most significant: This vote was identified as significant by BlackRock.

Company management recommendation: For **Fund manager vote:** For.

Rationale: BlackRock are aware of the concerns expressed by some that virtual-only AGMs could potentially impede meaningful exchanges between management and shareholders. However, following their analysis of the proposals and engagement with the company, BIS believed that Siemens had proposed an appropriate approach that is not likely to undermine shareholder rights.

Was the vote communicated to the company ahead of the vote: No because the vote was in line with management.

Outcome of the vote and next steps: The outcome of the vote was in line with BlackRock's vote.

- **Shell plc, UK, May 2023**

Summary of resolution: Approve the Shell Energy Transition Progress

Key topics: Climate change

Approx size of the holding at the date of the vote: 3.32%

Why this vote is considered to be most significant: This vote was identified as significant by BlackRock.

Company management recommendation: For **Fund manager vote:** For

Rationale: BlackRock supported this management proposal in recognition of the delivery to date against the company's energy transition strategy. BlackRock believes Shell has and continues to provide a clear assessment of its plans to manage climate related risks and opportunities. BlackRock believes Shell has also continued to make significant investment in low and zero carbon energy.

Was the vote communicated to the company ahead of the vote: No because the vote was in line with management.

Outcome of the vote and next steps: The outcome of the vote was in line with BlackRock's vote.

BlackRock Low Carbon Equity Tracker Fund

- **YUM! Brands, Inc., US, May 2023**

Summary of resolution: Shareholder Proposal Regarding Issuance of Civil Rights and Non-discrimination Audit Report

Relevant stewardship priority: Corporate transparency, human rights

Approx size of the holding at the date of the vote: 0.07%

Why this vote is considered to be most significant: This vote relates to a stewardship priority selected by the Trustee.

Company management recommendation: Against **Fund manager vote:** Against.

Rationale: In considering shareholder proposals requesting an assessment of a company's practices in relation to civil rights and non-discrimination, BlackRock takes into account the costs of an assessment as well as the benefits

of mitigating the economic risk of inadequate policies and practices. In BlackRock's view, Yum!'s approach to these matters is proportionate to the human capital risks the company has identified. As a result, BlackRock determined that support for this shareholder proposal was not warranted.

Was the vote communicated to the company ahead of the vote: No because the vote was in line with management.

Outcome of the vote and next steps: The outcome of the vote was in line with BlackRock's vote.

- **Restaurant Brands International, Canada, May 2023**

Summary of resolution: Shareholder Proposal to Report on the Reduction of Plastic Use

Relevant stewardship priority: Climate change

Approx size of the holding at the date of the vote: 0.04%

Why this vote is considered to be most significant: This vote relates to a stewardship priority selected by the Trustee.

Company management recommendation: Against **Fund manager vote:** Against.

Rationale: BlackRock did not support this proposal because, in its view, RBI's existing disclosures on plastics use are comprehensive and provide sufficient information to allow investors to understand the company's approach to managing the risks and opportunities of plastics use.

Was the vote communicated to the company ahead of the vote: No because the vote was in line with management.

Outcome of the vote and next steps: The outcome of the vote was in line with BlackRock's vote.

BlackRock BCIF Emerging Markets Equity Index Fund

- **Banco de Chile SA, Chile, March 2023**

Summary of resolution: Election of Directors (for 9 seats)

Key topics: Board quality and effectiveness, corporate governance

Approx size of the holding at the date of the vote: 0.07%

Why this vote is considered to be most significant: This vote was identified as significant by BlackRock.

Company management recommendation: For **Fund manager vote:** BlackRock voted for 7 directors and against 2

Rationale: BlackRock assesses voting issues – including the election of directors – on a case-by-case basis. Due to actions Banco de Chile took to unbundle their director elections and disclose relevant director experience, BlackRock was able to individually support the election of seven candidates proposed by management. In BlackRock's analysis, which was based on the aforementioned disclosures that detailed the suitability of its experience, the election of these seven directors was in shareholders' best long-term economic interests. BlackRock voted not to support the election of two directors because it was concerned that their service on an excess number of outside public boards could limit their ability to fulfil their oversight duties at Banco de Chile.

Was the vote communicated to the company ahead of the vote: BlackRock endeavours to communicate to companies when they intend to vote against management, either before or just after casting votes in advance of the shareholder meeting.

Outcome of the vote and next steps: The votes were passed. BlackRock will continue to monitor Banco de Chile's steps to enhancing their corporate governance structures, including board quality and director commitments.

- **Shin Kong Financial Holding Company, Taiwan, June 2023**

Summary of resolution: Election of Directors (for 15 director seats, including three independent director seats)

Key topics: Board quality and effectiveness, corporate governance

Approx size of the holding at the date of the vote: 0.06%

Why this vote is considered to be most significant: This vote was identified as significant by BlackRock.

Company management recommendation: The board recommended shareholders vote for its nominated directors and against those proposed by a group of shareholders seeking reform **Fund manager vote:** BlackRock voted for 5 directors nominated by the board and 9 directors proposed by the reform camp and pro-management shareholders. BlackRock voted against the other candidates.

Rationale: BlackRock supported nine independent candidates and five non-independent directors. In BlackRock's view, financial and governance concerns warranted support for the independent candidates while maintaining a degree of management-supported directors to maintain a level of institutional knowledge in the board. BlackRock's view is that long-term shareholders tend to benefit when boards include a diversity of views and directors can act as checks and balances on one another, as necessary.

Was the vote communicated to the company ahead of the vote: BlackRock endeavours to communicate to companies when they intend to vote against management, either before or just after casting votes in advance of the shareholder meeting.

Outcome of the vote and next steps: The outcome for 20 of the 32 candidates was in line with BlackRock's votes. BlackRock will continue to engage with the company regarding the steps it is taking to enhance its corporate governance structure and support long-term financial value creation for shareholders.

Signed:
Chris Martin
Trustee of the Credit Suisse (UK) Pension Fund

Date: 17 July 2024