

Q2 2026

# Quarterly engagement report ☑

Any references to case studies and companies are mentioned for illustrative purposes only as highlighted by \* symbol and does not constitute a recommendation





# Our mission

We aspire to safeguard and drive long-term value for our clients, by addressing financially material and systemic risks and opportunities across climate and nature, social resilience and corporate governance.

Guided by our universal ownership approach, we will leverage L&G’s expertise in markets, sectors and companies to effectively partner with investee companies, holding them to account, while facilitating a supportive policy environment.





# Our focus

**Partnering with investee companies and holding them to account**

To be successful, companies need to have people at the helm who are well-equipped to create resilient long-term growth. By voting and engaging directly with companies, we encourage management to control risks while seeking to benefit from emerging opportunities.

**Creating sustainable value**

We see responsible investing as the incorporation of financially material sustainability considerations into investment decisions, alongside engagement with companies, regulators, and policymakers, to help drive long-term value creation and support real-world outcomes for our clients.

**Promoting market resilience**

The decisions that companies make today will impact our collective future in the decades to come, and over our clients’ long-term investment horizons. Through us, our clients have exposure to a slice of the global market, and therefore to systemic risks and opportunities that can be financially material to our clients’ investments. Our ‘universal ownership’ approach to investment stewardship means that we believe in using corporate engagement and policy dialogue to support long-term value creation and shape the future by encouraging more sustainable, long-term practices from companies.





# Action and impact

In this edition, we provide an update on our global policy engagement on climate, nature and governance, and feature some key case studies on corporate engagement. We also summarise some of our key significant votes from the 2026 AGM season.

## Global Investment Stewardship themes

Our Investment Stewardship activity is structured around the following core themes:

- **Climate & Nature:** encompassing:
    - Climate mitigation
    - Climate adaptation
    - Land management
    - Water management
    - Nexus of climate and nature
- **Social resilience:** encompassing:
    - Human and social capital management (human rights, human capital management, living wage, diversity)
    - Wellbeing resilience (nutrition, antimicrobial resistance)
- **Governance:** encompassing:
    - Board quality
    - Audit, risk & controls
    - Investor rights
    - Leadership & organisational performance (e.g. remuneration)
    - Effective stewardship

We believe these themes are financially material to our clients’ portfolios, often pose systemic risks and opportunities, and cover areas where we believe L&G’s Asset Management business can influence change.







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Environment | Social | Governance



# Environment: Climate and nature



## Climate policy engagement: methane regulations in the EU

### Identify

The European Union Methane Regulation (EUMR), effective since August 2024, requires energy operators to measure, monitor, report and verify methane emissions, alongside implementing reduction measures. As the second most significant greenhouse gas, methane is a critical lever for near-term climate mitigation and one of the most cost-effective opportunities to limit warming. Regulatory clarity supports improved pricing of emissions risk and reinforces existing industry momentum, including participation in initiatives such as OGMP 2.0.<sup>1</sup>

### Engage

Building on our 2025 engagement, where we wrote to EU policymakers to advocate for maintaining the EUMR without delay or dilution,<sup>2</sup> developments in 2026 indicate continued pressure on the regulation. In the context of geopolitical uncertainty and energy market volatility, some governments and industry groups have called for delays to implementation, the suspension or adjustment of penalties, and revisions to elements of the regulation.

Given the importance of regulatory certainty for investors and companies progressing towards compliance, we continued our engagement in May 2026. We wrote to the European Commission and 10 Member States to support the timely and effective implementation of the EUMR. Our communication emphasised the need to preserve the regulation’s core provisions while ensuring a pragmatic and consistent application across jurisdictions.

### Next steps

At the time of writing, responses are pending. We will monitor feedback from policymakers and assess any developments regarding implementation timelines or enforcement approaches. We intend to continue engaging with relevant stakeholders to reinforce the importance of regulatory stability and to support the effective delivery of methane reduction objectives.

1. OGMP = Oil & Gas Methane Partnership  
2. P.31 [Active Ownership 2025](#)





Climate policy engagement:  
supporting ISSB adoption in the UK

Identify

We have long been supportive of the International Sustainability Standards Board (ISSB) standards as a milestone towards a global ‘baseline’ of sustainability disclosures focused on the needs of investors and financial markets. We have called on policymakers and regulators around the globe for adoption of the ISSB standards, including in the UK.

Engage

In June 2025, the UK government released a package of three consultations to modernise the UK’s sustainability and assurance framework, including a consultation on the exposure draft for the UK Sustainability Reporting Standards (UK SRS) and a consultation on transition plan requirements. [We responded to these consultations](#), encouraging the endorsement of the UK SRS with a phased-in approach to reporting requirements, and we supported mandating the development and disclosure of climate transition plans, with proportionality in the scope of application.

Following this, in January 2026, the Financial Conduct Authority (FCA) [published CP26/5: Aligning listed issuers’ sustainability disclosures with international standards](#), evolving its rules for listed companies’ sustainability disclosures. We submitted a detailed response to the consultation, emphasising the importance of ensuring that the UK’s adoption of ISSB based standards remains both ambitious and pragmatic. We reiterated our longstanding support for the adoption of ISSB-aligned standards, the disclosure of material scope 3 emissions, and mandatory transition plan disclosures, while highlighting the need for clear guidance and phased implementation to avoid unnecessary burden on preparers. In parallel, we also engaged with external stakeholders, providing input to consultation responses from the Investment Association and the Principles for Responsible Investment (PRI).

Next steps

We will monitor the UK government’s and FCA’s implementation of sustainability disclosure requirements and, where relevant, contribute to discussions as implementation guidance develops, with the aim of supporting reporting that enables effective stewardship and long-term value creation.







# Climate policy engagement: collaborative engagement across Asia

## Identify

Our policy engagement is designed to deliver tangible change by contributing to the design, implementation and monitoring of effective, coherent policies and regulatory frameworks. Our local presence in Asia and Japan and our strategic participation in select collaborative initiatives enables us to feed our views as a long-term, global investor into the development and evolution of climate policy in a region that forms a key link in the value chain for many global products and services. Below, we provide a brief overview of the scope of our activities over the quarter, to illustrate how we support our overall engagement activities through consistent messaging and feedback on climate, to support the development of effective frameworks for mitigating climate change.

## Engage

### Japan

Through our participation in the Japan Advisory and Working Group within the PRI Collaborative Sovereign Engagement on Climate Change initiative, we contributed to investor engagement with Japanese policymakers on the Green Transformation (GX) agenda, including meetings with the Green Transformation Acceleration Agency (GXA) and the Ministry of Economy, Trade and Industry (METI) on the GX-ETS. Our input focused on the relevance of carbon pricing and related policy signals for company engagement, including how clearer carbon-pricing frameworks, transition-plan information and sectoral signals can help investors assess whether companies are translating transition commitments into capital allocation, risk management and emissions-reduction actions over time.

### Australia

As a participant in the PRI initiative’s Australia Working Group, we also took part in discussions relating to Western Australia (WA), focused on WA’s energy transition plans and state targets, with relevance to our company engagement on transition-related risks and opportunities across energy and resources value chains.

During London Climate Action Week, we participated in a roundtable hosted by Austrade and the Australian High Commission in partnership with the Australian Sustainable Finance Institute (ASFI), bringing together UK and Australian pension funds to discuss climate adaptation and resilience. We contributed perspectives on the challenge of translating policy ambition into implementation, highlighting the importance of coordination across government, industry and finance, and the role of risk-sharing approaches in mobilising private capital. We also noted that the ultimate test is whether these frameworks influence company strategy and investment decisions in practice.

### Malaysia

As a member of the Asia Investors Group on Climate Change (AIGCC), we have contributed to the AIGCC’s response to a public consultation by the Companies Commission of Malaysia (SSM) on [Proposed Amendments to the Companies Act 2016 \[Act 777\] on Sustainability Reporting](#). The proposed amendments introduce measures to enhance sustainability reporting, including a sustainability reporting framework, strengthening directors' accountability, and provisions related to assurance. A key point that we have emphasised is the importance of coherent and linked taxonomies across sustainability disclosures and regulations. Bridging this gap is essential in terms of supporting the allocation of capital towards activities supporting the climate transition.

### South Korea

With a member of our Investment Stewardship Team taking on the position of Chair of the AIGCC Korea Working Group, we took the opportunity to contribute to organisation’s response to the consultation on South Korea’s [Climate Finance Activation Strategy and Transition Finance Guideline](#). In doing so, we emphasised the importance of aligning with international frameworks, of ensuring frameworks and assessments support attracting investment in the country’s climate and transition finance objectives, and of ensuring an appropriate approach to third-party verification requirements to balance credibility with practicality.

## Next steps

We acknowledge the complexity and dynamic nature of policy, regulatory and legislative decision-making, and the need for flexibility as stakeholders, leadership and agendas change over time.

By maintaining strategic positions within the aforementioned collaborations, we will continue to contribute on a pro and reactive basis to policy consultations in the region, reflecting the pace and timing of local policy development and opportunities for us as an asset manager to contribute.





# Climate corporate and policy engagement: EU emissions trading system

## Identify

The EU Emissions Trading System (ETS) is one of the EU’s most important climate policy instruments. Its cap-and-trade structure provides an efficient, economy-wide decarbonisation signal that helps translate the EU's climate objectives into the long-term investment frameworks companies rely on. Since its introduction in 2005, emissions from electricity generation and industry have fallen by around 50%, with the system on track to deliver a 62% reduction by 2030.<sup>3</sup>

As a universal investor, investments we make on behalf of our clients are affected by the systemic risks associated with a delayed or disorderly transition. By providing a clear and durable carbon price signal, the ETS supports real-economy decarbonisation. We believe ambitious decarbonisation policy can be compatible with European industrial competitiveness, which we strongly support.

The ETS is now entering a critical phase. Reforms including the introduction of the Carbon Border Adjustment Mechanism (CBAM) and the gradual phase-out of free allowances are intended to strengthen the carbon price signal<sup>4</sup> but coincide with significant challenges for energy-intensive industries, particularly the chemicals sector. While we recognise these pressures, we believe that weakening or delaying core elements of the ETS would undermine regulatory certainty, reduce investment incentives, and increase transition risks. The planned review of the ETS in July 2026 provided an opportunity for companies to engage with policymakers about the shape and rules of the system going forward.

## Engage

As part of our stewardship efforts to address climate-related risks, we undertook engagement with both companies and policymakers on the EU ETS review.

We wrote to several global chemicals companies directly affected by the ETS, encouraging them to clearly articulate how any proposed measures aimed at addressing competitiveness concerns can remain consistent with the core objectives of the ETS, particularly stability of investment signals and speed of decarbonisation. We emphasised the importance of setting out the key enablers of a cost-competitive transition, including infrastructure investment needs, innovation requirements and challenges in hard-to-abate value chains.

At the policy level, we signed a joint investor statement addressed to EU Heads of State and Government, convened by the Institutional Investors Group on Climate Change (IIGCC). The letter emphasised the importance of maintaining a “robust and predictable” EU ETS and cautioned against changes that could weaken the carbon price signal or undermine investor confidence.

## Next steps

At the time of writing, policy discussions are ongoing ahead of the publication of the European Commission’s proposals following its review of the ETS rules, and we await responses to our outreach. We will continue to monitor developments closely, particularly any proposals that could affect the strength or predictability of the ETS framework.

3. Source: [2025 Carbon Market Report: EU ETS lowers power sector emissions and expands to maritime transport - Climate Action](#), June 2026  
4. [About Carbon Pricing | UNFCCC](#)





# Climate transition plans in the mining sector: Anglo American Plc\*

## Identify

Mining companies and the critical minerals that they produce are essential to the clean energy transition. As such, they have formed a key sector within our engagement on climate change for a number of years, and we have focused specifically on what we look for in order to support mining companies' climate transition plans, as set out in our [blog](#).

Regular readers of our reports and blogs will be familiar with our longstanding engagements with Anglo American which have spanned a number of interrelated topics.<sup>5</sup> In this case study, we focus solely on its climate transition plan, which the company put to a shareholder vote at their Q2 2026 AGM.

## Engage

Having voted against Anglo's initial climate transition plan in 2022, we have engaged with the company extensively on its transition strategy. This engagement bridged well-publicised merger and acquisition activity, incorporating both the unsolicited (and ultimately unsuccessful) bid by BHP Group, and the proposed and recently approved merger with Teck Resources Ltd. Additionally, alongside our engagement, Anglo has begun to restructure its portfolio, focusing on copper and premium iron ore, a process which we have supported. This involves selling its metallurgical coal business, floating its South African platinum business, disposing of its diamond business and farming down its crop nutrients project.<sup>6</sup>

This activity is important in terms of framing the backdrop against which our engagements have taken place, and the strategic decisions taken by the company have had clear implications for its climate transition plan. As part of our engagement on this plan, we clearly set out, with reference to our [mining transition plan expectations](#), what we would like to see from the company in order to support it, and we engaged with their climate team as part of this ongoing dialogue.

## Outcome

In our view, the company has demonstrated a strategic shift aligned with the delivery of long-term shareholder value while progressing its decarbonisation ambitions and its role in facilitating the energy transition through its copper and premium iron ore portfolio. As a result, we voted in favour of its climate transition plan at the April 2026 AGM. We will continue to engage with the companies on the implementation of its transition strategy, including following the completion of the merger with Teck Resources Ltd.

5. As set out here [L&G Blogs: Climate Action– two years on](#), Anglo American is a company held in our Climate Action strategy.  
6. [L&G Blogs: Climate Action– two years on](#)







# Climate corporate engagement: AI and data centres

## Identify

We have identified the rapid expansion of AI-driven data centre infrastructure as a cross-sector priority spanning the technology, real estate, and electric utility value chains. While this growth presents significant financial opportunities and underpins broader digital and economic development, it also introduces complex risks that issues include rising energy demand and associated emissions, water and land intensity, infrastructure constraints, and the uneven allocation of costs and accountability across stakeholders.

To better understand these dynamics, we conducted a research project in collaboration with MBA student research consultants from the Bard Graduate Programs in Sustainability, focused on mapping value chain relationships, stakeholder responsibilities, and risk ownership. This eight-month project, which concluded in May 2026, focused primarily on the US and China, where data centre development is most concentrated.

Insights from this research demonstrate that while risks are distributed across the value chain, they are not distributed evenly, as different procurement models and ownership structures determine risk profiles and accountability. This understanding informs where the most ‘engageable’ parts of the value chain may be and what material risks and opportunities to prioritise in our engagements.

## Engage

We undertook a coordinated effort of insight-driven engagements across more than 20 companies spanning the tech, utilities, and real estate sectors over the first half of 2026. Informed by the research insights above, these engagements sought to understand and assess how companies are managing risks and opportunities associated with AI-driven growth and capital deployment, as well as to identify pathways for reducing climate- and water-related impacts while enabling continued expansion. Engagement themes across sectors included but were not limited to:

- **Technology:** demand forecasting and transparency; renewable energy sourcing and additionality<sup>7</sup>; electricity consumption and Scope 2 emissions management; lifecycle emissions (including embodied carbon in hardware and construction); and water use and cooling technologies in data centre operations
- **Real estate:** site selection and exposure to water stress; permitting and land-use impacts; embodied carbon in construction and materials sourcing; and resilience of assets to climate and resource constraints
- **Utilities:** generation mix and emissions trajectory; grid capacity and interconnection constraints; capital planning and execution to meet large-load demand; and cost allocation and affordability

7. Additionality is a concept to describe renewable energy procurement that is directly delivering new renewable generation capacity, rather than purchasing capacity that is already planned or available.

## Outcome and next steps

Our engagements highlighted both emerging good practices and areas where further progress is required. Companies are increasingly recognising the scale of demand and associated investment opportunity and are beginning to incorporate these signals into planning and capital allocation. However, approaches to managing both operational and execution-related risks remain uneven, particularly with respect to procurement strategies, supply chain constraints, and the ability to deliver projects on time and at scale. Additionally, environmental risk management continues to lag, with limited consistency in how companies integrate climate, land, and water constraints into growth strategies or provide transparent disclosure. These findings reinforced the importance of coordinated, cross-sector engagement to ensure that risks are identified and addressed at the appropriate point in the value chain.

Insights from this research and engagement also informed our voting decisions on shareholder proposals on risks related to data centre expansion. In Q2 2026, we supported proposals on the impacts of data centre growth on climate-related commitments at **Meta\***, **Alphabet\*** and **Amazon\***, and on water risk management at **Digital Realty\***.

From these learnings and insights, we intend to define sector-level outcomes for engagement. Recognising the fast-paced nature of the AI growth and differences in each sector’s responsiveness to market movements, in terms of engagement objectives, we will focus on effective governance and oversight of risk and decision-making within this period of significant capital deployment by issuers. We will also focus on establishing objectives for the oversight and management of environmental risks where most relevant across different business models and ownership structures within the AI data centre value chain.





# Nature corporate engagement: Pennon Group\*

## Identify

As mentioned in our [Q1 2026 Quarterly Engagement Report](#), UK water utilities continue to face significant operational, regulatory and reputational pressure. Key risks include pollution events, storm overflows, leakage, asset health, affordability, financial resilience and long-term climate resilience. These issues are financially material given the scale of required investment through AMP8, heightened public and political scrutiny, and ongoing regulatory reform aimed at improving accountability and delivery across the sector.

## Engage

In June, we met with Pennon Group’s chair to follow up on our earlier engagement and discuss how the board is overseeing delivery during a period of significant transition. Key areas discussed included:

- **Leadership changes:** We discussed the appointment of a new CEO and new Chief Asset Officer during the quarter, and the board’s focus on strengthening operational capability and asset management discipline.
- **Climate and emissions progress:** We welcomed the re-verification of Pennon’s science-based targets and the re-baselining of its greenhouse gas inventory to include SES Water, following our earlier discussion with the company in February.
- **Accountability and oversight:** We discussed new accountability and oversight mechanisms introduced following Ofwat enforcement action. These appear to be supporting progress on pollution events and storm overflows, although further work remains to strengthen assurance and embed sustained improvement.
- **Regulatory and political pressure:** We discussed the evolving regulatory reform agenda and continued public and political scrutiny of the sector, including recent commentary from Andy Burnham.
- **Climate resilience:** We discussed the company’s climate scenario planning and approach to long-term water scarcity and resilience.
- **Our upcoming engagement campaign:** We outlined the focus of our upcoming Q3/Q4 water utilities engagement campaign, including environmental performance, climate resilience, financial resilience and governance oversight. Pennon agreed that the areas we had identified are also priority risks for the board.

## Outcome and next steps

The engagement provided useful insight into how Pennon’s board is overseeing leadership transition, operational delivery and environmental performance. We were encouraged by the alignment between our planned engagement priorities and the risks identified by the board.

Our next step will be to contact Pennon as part of our formal water utilities campaign, where we will benchmark the company against peers across a range of environmental, governance and resilience indicators, and seek improvement where we identify gaps versus our expectations.





# Nature policy engagement: deforestation regulation in the EU

## Identify

Given the vital ecosystem services forests provide to the real economy, deforestation permeates different economic sectors and markets on a global scale, with potential financial implications for the companies in which we invest on behalf of our clients. It remains one of the most pressing global challenges, contributing significantly to nature degradation and climate change and is therefore a crucial aspect of making credible progress towards the goals set by the Kunming-Montreal Global Biodiversity Agreement and the Paris Agreement.

Accordingly, deforestation is a core pillar of our nature work on land management and is an area where we undertake collaborative, policy and corporate engagement in support of our overall objectives.

## Engage

As a member of Investors Policy Dialogue on Deforestation (‘IPDD’), we joined our peers in signing an investor statement in support of the EU Deforestation Regulation and our collective belief in the importance of its full and timely implementation. Representing over €5.5 trillion of assets under management and over 40 signatories, this statement was sent to the European Commission.

In emphasising the significance of this regulatory framework in sustaining business competitiveness and protecting long-term value, the statement asks for:

- Avoidance of reopening or renegotiating the legislative text
- Maintenance of implementation timelines and policy predictability
- Clear guidance, consistent interpretation across Member states, and proportionate implementation support

The letter can be found [here](#).

## Next steps

We will monitor regulatory changes to establish whether our concerns have been reflected. Through both our policy and company engagement (for example, through our deforestation and Climate Impact Pledge campaigns), we will continue to encourage actions to monitor and mitigate deforestation across supply chains.





Nature: biodiversity transition plan: Icade SA\*

|                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Company name                                 | Icade SA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| ISIN                                         | FR0000035081                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Market Cap                                   | US\$1,65 billion (source: ISS, as at 01 July 2026)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Sector                                       | Equity Real Estate Investment Trusts (‘REITs’), Diversified REITs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Issue identified                             | We believe that nature degradation is financially material for our clients’ portfolios and that the way in which companies seek to address the risks to their businesses presented by nature change is important for long-term investors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Summary of the resolution                    | Resolution 19 - Approve Report on Progress of Company's Biodiversity Preservation Plan<br><br>AGM, 10 June 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| How L&G voted                                | For resolution 19 (i.e. in line with management recommendation)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Rationale for the vote decision              | A vote FOR the approval of the company’s progress with respect to its approach to nature and biodiversity was applied. We note that the company’s 2025 reporting includes a clearer analysis of its dependencies on ecosystem services, together with the associated actual and potential impacts, risks and opportunities. The company explains that this analysis covers its value chain and assesses physical, transition and systemic biodiversity-related risks. We also note more granular assessment of sites located in or near biodiversity-sensitive areas, alongside further development of site-level indicators relevant to land use, soil protection, and habitat connectivity. While these disclosures are welcome, further progress would still be beneficial, particularly in demonstrating business-model resilience and the financial implications of identified nature-related risks and opportunities, including through closer application of TNFD’s sector guidance. |
| Outcome                                      | 99.4% voted in favour of the resolution.<br>We will continue to monitor the company’s progress in measuring and reporting against evolving best practice.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Why is this vote ‘significant’? <sup>8</sup> | This vote is significant due to its connection to our investment stewardship focus on climate and nature, one of the financially material themes upon which we focus our efforts and activities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

8. In determining a ‘significant vote’, we take into consideration the guidance for asset managers provided by the PLSA ([Vote reporting template for pension scheme implementation statement - Guidance for Asset Managers](#)), and alignment with our published stewardship themes and priorities.



Climate and data centres: Meta Platforms\*

|                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Company name                                 | Meta Platforms, Inc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| ISIN                                         | 30303M102                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Market Cap                                   | US\$1.38 trillion (source: ISS, as at 02 July 2026)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Sector                                       | Communication services                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Issue identified                             | The rise of generative AI, large language models (LLMs), and AI-as-a-Service (AlaaS) is driving demand for computational infrastructure and data centres, which are energy-intensive and increasingly water-reliant. While ‘hyperscalers’ such as Meta is increasingly focusing on powering their data centres through renewable energy and nuclear power, the energy demands of AI applications and training running through these centres are also increasing demand for fossil fuels, especially in the US and China. Our concern is that increasing energy consumption due to the surge in AI data centre demand may potentially push back the timeline of utilities being able to phase down or out emission-intensive assets (e.g. coal, gas), thereby locking in future emissions. |
| Summary of the resolution                    | Resolution 9 – Report on Impact of Data Center Expansions on Climate Commitments<br><br>AGM, 27 May 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| How L&G voted                                | For resolution 9 (i.e. against management recommendation)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Rationale for the vote decision              | Since 2025, we have been engaging with companies within AI data centre value chains, namely hyperscalers, semiconductor companies, utilities and real estate companies to better understand their practices and risk exposures. Upon benchmarking Meta’s practice and disclosures against its peers, we believe the company could improve its disclosures on how it balances the need for ‘speed to power’ against the need for clean and reliable power, and how Meta sees the role of gas as grid-connected power and on-site generation within its decarbonisation pathway. In addition, we would like to see more measures to decrease its scope 3 emissions from capital goods. We therefore voted in favour of Resolution 9.                                                        |
| Outcome                                      | 13.4% voted in favour of this resolution.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Why is this vote ‘significant’? <sup>9</sup> | This vote is significant due to its connection to our climate and nature theme, an area of financial materiality for our clients where we focus our investment stewardship activities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

9. In determining a ‘significant vote’, we take into consideration the guidance for asset managers provided by the PLSA ([Vote reporting template for pension scheme implementation statement - Guidance for Asset Managers](#)), and alignment with our published stewardship themes and priorities.





Environment | **Social** | Governance



# Society: Social resilience



## Policy engagement: antimicrobial resistance

### Identify

The World Health Organization (WHO) describes antimicrobial resistance (‘AMR’) AMR as one of the top 10 global public health threats facing humanity today.<sup>10</sup> Research published ahead of the United Nations General Assembly’s second High-Level Meeting on AMR in September 2024 posits that if no action is taken to stem the rise of AMR we could face a US\$1.7 trillion annual reduction in global economic output by 2050, and current annual direct healthcare costs of US\$66 billion could rise to US\$159 billion in 2050.<sup>11</sup> Our stewardship efforts are focused on shaping policy environments, contributing to global governance frameworks, and raising AMR’s profile among investors and decision makers worldwide.

### Engage

In June 2026 we were invited, alongside Swedish investors, to meet with the Swedish Research Council regarding the next 10-year [Swedish National Action Plan on AMR](#) (NAP).  
The meeting focused on how investors, in particular Swedish investors (and investors present in Sweden and with holdings in Swedish publicly listed companies) can be engaged in the work to mitigate AMR. In addition, looked at how a long-term collaboration between investors, authorities and experts can be developed in Sweden.

### Next steps

It was agreed that an investor network focused on AMR would be established, with the purpose of increasing awareness and understanding of AMR as a systemic risk, supporting investors' engagement with corporates, contributing the investor perspective to the NAP and creating a long-term dialogue between investors and policy stakeholders. Upon agreement among investors, this is now also referenced in the draft Swedish NAP.

Investors being invited to such discussions is a welcome development in terms of broader recognition of the potential economic and market impact of AMR. A main goal of our continued participation in such cross-industry events has been to emphasise why we believe this issue is of financial materiality to our clients. In seeking to address this issue where the primary actors operate in highly regulated sectors (namely, healthcare and food production), we continue to focus on policy level engagement as we believe this is the most effective way of encouraging positive change to mitigate AMR.

*On a side note*

We received an invitation from Dame Sally Davies to a viewing of [Lifeline](#), a musical exploring the global threat of AMR set up in London during the Spring. The musical’s chorus was exclusively made up by 60 NHS healthcare workers. The musical has been shown in multiple countries, with the chorus always made up of healthcare workers. During the 2024 United Nation’s General Assembly parts of the musical was performed during the meeting, a UN first.

Lifeline follows the story of Sir Alexander Fleming's discovery of penicillin at St Mary's Hospital in Paddington in 1928, weaving his historical journey with a contemporary narrative centred on a junior doctor in Edinburgh.

The aim of the production is to highlight the urgent reality AMR, a crisis Fleming warned of decades ago.

10. Source: [Antimicrobial resistance](#) accessed July 2026  
11. The full report can be accessed here: [WOAH Documentary Portal - Record](#)



Ethnic diversity: Costain Group Plc\*

|                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Company name                                  | Costain Group Plc                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| ISIN                                          | GB00B64NSP76                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Market Cap                                    | US\$746 million (source: ISS, as at 03 July 2026)                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Sector                                        | Industrials - Construction and engineering                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Issue identified                              | We believe a diverse mix of skills, experience and perspectives is essential for a company and its board to function and perform optimally. Studies demonstrate that a good level of diversity can improve business resilience and decision making, minimise risks, and improve the sustainability of profit growth which can maximise long-term returns for investors. Our approach to diversity and expectations of companies are set out in our <a href="#">Diversity principles - Global</a> . |
| Summary of the resolution                     | Resolution 5 – Re-elect Kate Rock as Director<br>AGM, 14 May 2026                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| How L&G voted                                 | Against Resolution 5 (i.e. against management recommendation)                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Rationale for the vote decision               | As set out in our <a href="#">Diversity principles - Global</a> , we expect UK FTSE350 companies to have a board member from an ethnic minority background, reflecting the Parker Review. <sup>12</sup> Where this is not the case, we apply a vote against the chair of the board. As this company does not have a board member from an ethnic minority background, in line with our published position, we therefore voted against the re-election of the chair.                                 |
| Outcome                                       | 86.2% voted in favour of the resolution.                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Why is this vote ‘significant’? <sup>13</sup> | This vote is significant because it pertains to our longstanding, published expectations and voting approach on diversity.                                                                                                                                                                                                                                                                                                                                                                         |

12. [The Parker Review - Encouraging greater diversity of UK boards](#)

13. In determining a ‘significant vote’, we take into consideration the guidance for asset managers provided by the PLSA ([Vote reporting template for pension scheme implementation statement - Guidance for Asset Managers](#)), and alignment with our published stewardship themes and priorities.



Uber Technologies\*: gender diversity

|                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Company name                                  | Uber Technologies, Inc                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| ISIN                                          | US90353T1007                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Market Cap                                    | US\$153.69 billion (source: ISS, as at 01 July 2026)                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Sector                                        | Industrials - transportation                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Issue identified                              | We believe a diverse mix of skills, experience and perspectives is essential for a company and its board to function and perform optimally. Studies demonstrate that a good level of diversity can improve business resilience and decision making, minimise risks, and improve the sustainability of profit growth which can maximise long-term returns for investors. Our approach to diversity and expectations of companies are set out in our <a href="#">Diversity principles - Global</a> . |
| Summary of the resolution                     | Resolution 1a - Elect Director Ronald Sugar<br>AGM, 04 May 2026                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| How L&G voted                                 | Against Resolution 1a (i.e. against management recommendation)                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Rationale for the vote decision               | A vote against was applied because the company's current level of gender diversity on their board does not meet with our minimum expectations as set out in our <a href="#">Diversity Principles</a> . As member of the Nomination/Governance Committee, we held this director accountable for the board's governance practices.                                                                                                                                                                   |
| Outcome                                       | 91.9% voted in favour of the resolution.                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Why is this vote ‘significant’? <sup>14</sup> | This vote is significant because it pertains to our longstanding, published expectations and voting approach on diversity.                                                                                                                                                                                                                                                                                                                                                                         |

14. In determining a ‘significant vote’, we take into consideration the guidance for asset managers provided by the PLSA ([Vote reporting template for pension scheme implementation statement - Guidance for Asset Managers](#)), and alignment with our published stewardship themes and priorities.



Palantir Technologies\*: human rights

|                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Company name                                  | Palantir Technologies Inc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| ISIN                                          | 69608A108                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Market Cap                                    | US\$257.16 billion (source: ISS, as at 30.06.2026)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Sector                                        | Software                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Issue identified                              | As set out in our <a href="#">human rights policy</a> , as an investor, we believe it is vital that companies proactively identify, assess and address human rights issues within their operations and value chains, and that they pay attention to the rising expectations of regulators, investors and a broader set of stakeholders.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Summary of the resolution                     | Resolution 4: Commission Third Party Assessment and Report on Human Rights Due Diligence<br>Resolution 5: Report on Human Rights Impact Assessment<br>Resolution 6: Report on Political Contributions and Expenditures<br><br>AGM, 03 June 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| How L&G voted                                 | For Resolutions 4, 5, and 6 (i.e. against management recommendation)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Rationale for the vote decision               | Human rights: A vote in favour of Resolutions 4 and 5 was applied as L&G supports such assessments as we consider human rights issues to be a material risk to companies. While we acknowledge that the company's products and services may not directly cause negative impacts on human rights, following engagement with the company, we would like to see additional transparency from the company to describe its human rights due diligence process and to demonstrate the effectiveness of the current measures in place to mitigate any potential negative impacts on human rights.<br><br>Political lobbying: A vote in favour was applied for Resolution 6 as L&G expects companies to provide sufficient disclosure on such activities. Given the amount of its revenue coming from government customers, we feel that additional transparency is needed. |
| Outcome                                       | Resolution 4: 8.2% voted in favour<br>Resolution 5: 12.4% voted in favour<br>Resolution 6: 25.9% voted in favour                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Why is this vote ‘significant’? <sup>15</sup> | This vote is significant due to the topic of human rights, which we address through investment stewardship activities within our Social Resilience theme.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

15. In determining a ‘significant vote’, we take into consideration the guidance for asset managers provided by the PLSA ([Vote reporting template for pension scheme implementation statement - Guidance for Asset Managers](#)), and alignment with our published stewardship themes and priorities.



# Environment | Social | Governance



# Governance



## Japanese governance reforms: shareholder rights, board composition and transparency

### Identity

Responding to policy consultations is a crucial avenue through which we can express our views on what we believe to be financially material issues for investors. Our local presence in Tokyo enables us to participate in meetings and forums, bringing our perspective as an international asset manager to these crucial discussions.

During the quarter, we responded to three major Japanese initiatives on corporate governance reform:

- i) Tokyo Stock Exchange (TSE) Listing Rules changes on minority shareholder protection;<sup>16</sup>
- ii) revisions to the Corporate Governance Code;<sup>17</sup> and
- iii) the interim proposal on the review of the Companies Act.<sup>18</sup>

While these reform efforts are more coordinated than in the past, particularly around shareholder engagement, capital efficiency, and disclosure, some proposals could strengthen governance and transparency, while others risk weakening safeguards for shareholder voice and accountability. In our view, without sufficient specificity, the reforms may do too little to raise standards, especially among companies least inclined to move on their own. As Japan deepens engagement with global investors and broadens retail participation, this matters.

Much will also depend on whether key expectations on subjects such as board independence or Yuho (annual securities report) publication timing remain in the 'comply-or-explain' part of the Code rather than being left to interpretive guidance.

### Engage

Our input was provided through formal submissions to the public consultations, meetings and written engagement with policymakers and market participants, and contributions to investor forums including ICGN and ACGA. In our responses, we focused on the following points:

#### Shareholder rights

Recent TSE-led reforms have introduced some welcome steps to support minority shareholder protections, and the latest Listing Rules consultation picks up similar issues.

However, we believe some elements of the Companies Act consultation could pull in the opposite direction, with implications for shareholder proposals, AGM participation, or procedural protections for minority shareholders in cash-out transactions.

If the long-standing '300 voting rights' route were removed, leaving only the ownership-threshold, it would raise the bar for filing proposals, narrowing the range of issues that reach AGMs.

We are also cautious about moves toward virtual-only AGMs, where procedural changes could come at the expense of shareholders' ability to participate meaningfully, ask questions, and challenge boards.

One constructive element is the focus on beneficial shareholders identification, which could support more inclusive AGM access for investors holding through intermediary structures over time.

16. [Public Comments | Japan Exchange Group](#)

17. [Draft revisions to the Corporate Governance Code for public consultation : FSA](#)

18. [法務省:「会社法制\(株式・株主総会等関係\)の見直しに関する中間試案」\(令和8年3月18日\)の取りまとめ](#)

19. In Japan, a shareholder can submit proposals or demand general meetings if they hold at least **1% of voting rights** or **300 voting rights (30,000 shares)** continuously for six months.



Board independence and composition

Some proposals take positive steps on board independence, including refining independence criteria or adjusting board-design rules in ways that could support wider adoption of Japan’s statutory three-committee structure.

In our view, board independence requirements need to be matched by board dynamics that allow genuine challenge, particularly where cross-shareholdings or structural conflicts remain. Stronger expectations around board composition, independent directors and board chairs, and Lead Independent Directors could support this.

The revised Code’s continued focus on diversity is welcome, particularly its recognition of the connection between workforce expectations and board effectiveness. In Japan, this matters because [structural constraints](#) in the talent pipeline, such as linear career paths and limited mobility, can narrow the pool of candidates with senior decision making experience and limit the range of perspectives available at board level.

Disclosure, transparency, and timing

We welcome the long-awaited, coordinated regulatory push to improve disclosure, including progress toward a more streamlined reporting framework grounded in a ‘one report, one audit’ approach. Done well, this could reduce duplication and support timelier, decision-useful disclosure.

A key issue is the [sequencing](#) of Yuho and AGMs. Releasing the Yuho at or just before the AGM limits its value for stewardship and voting, weakening board accountability. Shareholders should not be expected to vote before they have had a proper opportunity to review the annual securities report, including its fully audited financial statements.

Outcome and next steps

Recent discussion in Tokyo at the Principles for Responsible Investment (PRI) 20th anniversary, including contributions from the regulator and the GPIF President, reinforced the importance of stewardship quality, long-term outcomes, and system-level resilience.

That momentum gives these reforms added weight. A successful outcome would see Japan continue to stand out as a market where investor rights are well protected, and where boards show genuine independence, openness to challenge, and broader perspective, supported by a governance framework that remains robust as the market evolves. While the timeframes for the Listing Rules and Corporate Governance Code are not concrete, we would expect to see them during 2026. The Companies Act review remains at the interim proposal stage: public comments closed in May 2026, with conclusions expected within FY2026 before any bill is submitted to the Diet. The statutory reforms are likely to take longer.







# Governance reforms: consultation on SGX listing

## Identify

We believe in collaboration and we work with peers, industry groups, NGOs, academia and civil society. We are a member or supporter of multiple associations and initiatives working on sustainability themes; in selecting those to join, we consider very carefully the alignment between their aims and our investment stewardship objectives, and the potential opportunities that joining such a collaboration could bring in terms of enabling us to participate in activities alongside our peers in a way that we may not be able to do so as a sole asset manager.

## Engage

Through our membership of the collaborative organisation of the Asian Corporate Governance Association (‘ACGA’), we are members of the ASEAN Working Group. As part of this, over the quarter, we contributed to the consultation response on the Singapore Exchange’s (SGX’s) proposed amendments to its listing rules concerning disclosures on executive remuneration (including pay-performance linkage), dividend policy, and investor relations practice.

Across these proposals, we articulated our support for SGX’s principles based approach and encouraged continued emphasis on proportionality. In our view, concise, outcome oriented disclosures that explain decision making are likely to be more useful to long term investors than extensive but generic reporting. We summarise our response below, which reflect our published expectations in our [Global Corporate Governance Principles](#).

### On remuneration

We supported disclosure of the key financial and non-financial performance indicators used in executive remuneration and how they align with long-term value creation. We also supported disclosure of material changes to these metrics and the underlying reasons. In our view, issuers should explain how incentives support strategy, risk management and capital allocation, while providing appropriate transparency on variable remuneration outcomes.

### On dividend policy

We supported the requirement for issuers to maintain and disclose a dividend policy, acknowledging that dividend decisions are best understood within the broader capital management framework, including reinvestment needs, growth opportunities and balance sheet resilience. We encouraged SGX to clarify that issuers should explain how dividends are balanced against other capital allocation priorities, improving transparency and comparability while preserving flexibility.

### On investor engagement

We support the requirement for issuers to maintain a website for investor engagement. to improve access to governance, strategy and disclosure information. SGX should emphasise clarity, accessibility and regular maintenance rather than content volume, ensuring websites provide meaningful information. We also supported the requirement for issuers to

maintain and publish an investor relations policy and to disclose investor engagement activities. This would provide meaningful insight into board responsiveness. We also encouraged SGX to consider guidance on disclosure of responses to significant shareholder dissent.

## Next steps

Through continued, active participation in this working group, we aim to contribute to the development of a regulatory environment that supports strong principles of corporate governance. We will continue to take opportunities to response to similar consultations, and to feed back our views as a global investor, complementing our individual corporate engagements.





## Shareholder rights at Exxon Mobil\*

|                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Company name                                  | Exxon Mobil Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| ISIN                                          | 30231G102                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Market Cap                                    | US\$566.7 billion (source: ISS, as at 02 July 2026)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Sector                                        | Energy – oil, gas and consumable fuels                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Issue identified                              | We believe robust governance frameworks and the protection of shareholder rights are fundamental to the efficient functioning of capital markets and value creation for shareholders. Considering financially material risks – including those that could weaken accountability or limit effective shareholder oversight – is a core part of our investment stewardship activities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Summary of the resolution                     | Resolution 4 - Texas Redomiciliation<br>Resolution 6 - Modify Voluntary Retail Voting Program<br>AGM, 27 May 2025                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| How L&G voted                                 | Against Resolution 4 (i.e. against management recommendation)<br>Against Resolution 6 (i.e. in line with management recommendation)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Rationale for the vote decisions              | <p>Exxon’s rationale for re-domiciliation to Texas reflects the long standing centrality of the state to its business operations and employee base. Following the publication of the preliminary proxy, we engaged with the company to better understand the implications of the proposed move for shareholder rights. Of particular concern are optional provisions under the Texas Business Organizations Code (TBOC) that permit companies to adopt bylaw changes which could significantly weaken shareholder protections. While Exxon has stated that it does not currently intend to adopt such provisions, we remain concerned that this position is not binding and could change over time. We sought confirmation that any future adoption of such provisions would be subject to a shareholder vote; however, the company was unable to make this commitment. While we recognise the long-standing relevance of Texas to Exxon’s operations and employee base, the timing of this proposal raises additional governance concerns: it only came to light after the recent TBOC amendments that expand the range of elective provisions available to companies. Our concerns are further amplified by Exxon’s recent introduction of its Retail Voting Program (see Resolution 6), which aims to increase management aligned voting outcomes. Together, these factors weaken our confidence that shareholder rights would be adequately protected, should Resolution 4 pass. Accordingly, we voted against Resolution 4.</p> <p>We believe the structure of Exxon's Retail Voting Program risks embedding a bias toward management aligned outcomes, potentially limiting the scope for constructive challenge from its investors – both of which are fundamental to effective shareholder democracy. We believe this raises concerns about independence and balance. While Resolution 6 called for the inclusion of alternative voting policies in the Retail Voting Program, the selection and framing of those options would remain at the company’s discretion. As such, the resolution did not, in our view, sufficiently address the underlying governance concerns associated with company controlled voting frameworks. For these reasons, we voted against Resolution 6.</p> |
| Outcome                                       | Resolution 4 – 71.2% votes in favour<br>Resolution 6 – 23.5% votes in favour                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Why is this vote ‘significant’? <sup>20</sup> | These votes are significant due to the theme of investor rights, which is a pillar of our investment stewardship focus on corporate governance.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

20. In determining a ‘significant vote’, we take into consideration the guidance for asset managers provided by the PLSA [\(Vote reporting template for pension scheme implementation statement - Guidance for Asset Managers\)](#), and alignment with our published stewardship themes and priorities.



## Effective risk management and independent board oversight at Chubu Electric Power\*

|                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Company name                                  | Chubu Electric Power                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| ISIN                                          | JP3526600006                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Market Cap                                    | US\$14.27 billion (source: ISS, as at 03 July 2026)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Sector                                        | Electric Utilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Issue identified                              | Effective risk management and independent board oversight are financially material as they underpin a company’s ability to identify, manage, and mitigate risks that can affect long term performance, business resilience, and shareholder value. As a long term investor, we engage with portfolio companies to ensure robust governance structures, internal controls, and accountability mechanisms are in place to safeguard client assets and support sustainable value creation. L&G will consider votes against directors where there are material board-level risk oversight failures, as reflected in our <a href="#">Corporate Governance Principles - Japan</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Summary of the resolution                     | Resolution 2.1 – Elect Director Katsuno, Satoru<br>Resolution 2.2 – Elect Director Hayashi, Kingo<br>Resolution 5 (Shareholder proposal) - Remove Incumbent Director Katsuno, Satoru<br>Resolution 6 (Shareholder proposal) - Remove Incumbent Director Hayashi, Kingo<br>AGM, 25 June 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| How L&G voted                                 | Against resolutions 2.1 and 2.2 (i.e. against management recommendation)<br>For resolutions 5 and 6 (i.e. against management recommendation)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                                               | Since 2023, we have engaged with Chubu Electric Power on board oversight of material risks. The company recently identified a long-standing compliance breach relating to the use of inappropriate seismic modelling methods to support regulatory approval for restarting the Hamaoka Nuclear Power Station. The company described the matter as “extremely serious” to the foundation of the business, as it is expected to fully restart the regulatory review process for these assets, as well as undermine stakeholder trust. <sup>21</sup> We engaged with the company to understand the breakdowns in control functions, including at the board and executive level, relating to issues that have persisted for nearly a decade. Chubu outlined initial corrective actions and confirmed that an independent external investigation is underway, with findings and final remediation recommendations expected later this year.                                                                                                                                                                                                                                                                                                                                                                                             |
| Rationale for the vote decisions              | The duration and nature of this issue point to systemic weaknesses in internal controls and escalation processes, raising concerns about whether key risks were effectively identified, challenged, and overseen at both executive and board levels. Given these concerns and the company’s risk oversight structures, we intend to vote against resolutions that support the election of the Company Chairman and Chairman of the Board, Director Saturo Katsuno, and the President, Director Kingo Hayashi, both of whom are non-independent (inside directors). While Chubu Electric’s Audit and Supervisory Committee plays a central role in overseeing compliance with applicable laws and regulations ( <a href="#">Corporate Governance Principles - Japan</a> ), the committee was only established in July 2024 long after these issues originated. The President oversees the Compliance Committee and Risk Management Committee, both of which sit below the board, and the Chair’s tenure of 16 years raises additional concerns regarding accountability. While the independent investigation is ongoing, we consider the severity, duration, and potential impact of the incident sufficient to warrant investor action at this stage; we therefore voted against the re-election of the directors as stated above. |
| Outcome                                       | At the time of publishing this report, proxy voting results for this meeting have not yet been made available. We will continue to engage with Chubu Electric on both the governance response to this incident and how it will evolve its climate strategy around this material setback.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Why is this vote ‘significant’? <sup>22</sup> | This vote is significant due to its relation to our published policy positions as reference above, encompassed within out investment stewardship thematic focus on corporate governance.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

21. [https://www.chuden.co.jp/english/corporate/releases/pressreleases/1217661\\_5163.html](https://www.chuden.co.jp/english/corporate/releases/pressreleases/1217661_5163.html)  
22. In determining a ‘significant vote’, we take into consideration the guidance for asset managers provided by the PLSA ([Vote reporting template for pension scheme implementation statement - Guidance for Asset Managers](#)), and alignment with our published stewardship themes and priorities.





# Voting and engagement figures, Q2 2026



# Regional updates

## Global - Q2 2026 voting summary

| Management-proposed resolutions: |       |         |         |       |           |           |
|----------------------------------|-------|---------|---------|-------|-----------|-----------|
| Proponent/Category               | For   | Against | Abstain | For % | Against % | Abstain % |
| Management                       | 70849 | 21152   | 483     | 77%   | 23%       | 1%        |
| Director Election                | 27079 | 10230   | 476     | 72%   | 27%       | 1%        |
| Compensation                     | 6135  | 4925    | 0       | 55%   | 45%       | 0%        |
| Routine Business                 | 13493 | 589     | 0       | 96%   | 4%        | 0%        |
| Strategic Transactions           | 1443  | 714     | 0       | 67%   | 33%       | 0%        |
| Capitalization                   | 5807  | 1228    | 0       | 83%   | 17%       | 0%        |
| Non-Routine Business             | 2299  | 311     | 0       | 88%   | 12%       | 0%        |
| Company Articles                 | 2651  | 451     | 0       | 85%   | 15%       | 0%        |
| Audit Related                    | 5184  | 1359    | 1       | 79%   | 21%       | 0%        |
| E&S Blended                      | 182   | 5       | 0       | 97%   | 3%        | 0%        |
| Director Related                 | 5493  | 937     | 4       | 85%   | 15%       | 0%        |
| Procedural/Non-Equity            | 90    | 204     | 2       | 30%   | 69%       | 1%        |
| Miscellaneous                    | 359   | 66      | 0       | 84%   | 16%       | 0%        |
| Takeover Related                 | 440   | 59      | 0       | 88%   | 12%       | 0%        |
| Social                           | 172   | 71      | 0       | 71%   | 29%       | 0%        |
| Mutual Funds                     | 10    | 0       | 0       | 100%  | 0%        | 0%        |
| Environmental                    | 12    | 3       | 0       | 80%   | 20%       | 0%        |



Global - Q2 2026 voting summary

| Shareholder-proposed resolutions: |      |         |         |       |           |           |
|-----------------------------------|------|---------|---------|-------|-----------|-----------|
| Proponent/Category                | For  | Against | Abstain | For % | Against % | Abstain % |
| Shareholder                       | 1307 | 724     | 3       | 64%   | 36%       | 0%        |
| Director Election                 | 512  | 207     | 2       | 71%   | 29%       | 0%        |
| Miscellaneous                     | 81   | 39      | 0       | 68%   | 33%       | 0%        |
| Non-Routine Business              | 72   | 117     | 0       | 38%   | 62%       | 0%        |
| Audit Related                     | 96   | 39      | 0       | 71%   | 29%       | 0%        |
| Director Related                  | 191  | 34      | 1       | 85%   | 15%       | 0%        |
| Routine Business                  | 12   | 102     | 0       | 11%   | 89%       | 0%        |
| Compensation                      | 45   | 33      | 0       | 58%   | 42%       | 0%        |
| Social                            | 59   | 35      | 0       | 63%   | 37%       | 0%        |
| Environmental                     | 47   | 58      | 0       | 45%   | 55%       | 0%        |
| Corporate Governance              | 109  | 11      | 0       | 91%   | 9%        | 0%        |
| Capitalization                    | 55   | 2       | 0       | 96%   | 4%        | 0%        |
| E&S Blended                       | 9    | 31      | 0       | 23%   | 78%       | 0%        |
| Company Articles                  | 19   | 16      | 0       | 54%   | 46%       | 0%        |

| How L&G voted | Number of votes | % Aligned management recommendations |
|---------------|-----------------|--------------------------------------|
| For           | 72156           | 100%                                 |
| Against       | 21876           | 5%                                   |
| Abstain       | 486             | 81%                                  |

Voting data shown is “For” and “Against” the resolution. Please note that for shareholder resolutions, a vote “For” the resolution is a vote against management.We aim to keep abstentions to a minimum. Where there are no legal or practical impediments, we vote on our clients’ investments across all developed and emerging markets globally, where possible. Source: L&G, as at 30 June 2026.

| Number of       | Values |
|-----------------|--------|
| Resolutions     | 94518  |
| AGM Resolutions | 90266  |
| EGM Resolutions | 4252   |
| AGM             | 7713   |
| EGM             | 1138   |
| Meetings        | 8851   |

| Most popular resolutions                                             | Number of resolutions |
|----------------------------------------------------------------------|-----------------------|
| Elect Director                                                       | 33106                 |
| Accept Financial Statements and Statutory Reports                    | 5582                  |
| Ratify Auditors                                                      | 4270                  |
| Elect Director (Cumulative Voting or More Nominees Than Board Seats) | 4091                  |
| Advisory Vote to Ratify Named Executive Officers' Compensation       | 3732                  |

| Number of companies where L&G voted:          | Value |
|-----------------------------------------------|-------|
| In Total                                      | 7758  |
| For in all resolutions                        | 1679  |
| Against or Abstain in at least one resolution | 6079  |



UK - Q2 2026 voting summary

| Management-proposed resolutions: |      |         |         |       |           |           |
|----------------------------------|------|---------|---------|-------|-----------|-----------|
| Proponent/Category               | For  | Against | Abstain | For % | Against % | Abstain % |
| Management                       | 5233 | 361     | 1       | 94%   | 6%        | 0%        |
| Capitalization                   | 1117 | 33      | 0       | 97%   | 3%        | 0%        |
| Mutual Funds                     | 8    | 0       | 0       | 100%  | 0%        | 0%        |
| Routine Business                 | 525  | 7       | 0       | 99%   | 1%        | 0%        |
| Compensation                     | 417  | 131     | 0       | 76%   | 24%       | 0%        |
| Director Election                | 2186 | 171     | 1       | 93%   | 7%        | 0%        |
| Audit Related                    | 586  | 1       | 0       | 100%  | 0%        | 0%        |
| Takeover Related                 | 216  | 3       | 0       | 99%   | 1%        | 0%        |
| Company Articles                 | 29   | 2       | 0       | 94%   | 6%        | 0%        |
| Strategic Transactions           | 21   | 11      | 0       | 66%   | 34%       | 0%        |
| Social                           | 112  | 0       | 0       | 100%  | 0%        | 0%        |
| Miscellaneous                    | 6    | 1       | 0       | 86%   | 14%       | 0%        |
| Environmental                    | 3    | 0       | 0       | 100%  | 0%        | 0%        |
| Non-Routine Business             | 1    | 0       | 0       | 100%  | 0%        | 0%        |
| Procedural/Non-Equity            | 2    | 1       | 0       | 67%   | 33%       | 0%        |
| Director Related                 | 4    | 0       | 0       | 100%  | 0%        | 0%        |

Voting data shown is “For” and “Against” the resolution. Please note that for shareholder resolutions, a vote “For” the resolution is a vote against management. We aim to keep abstentions to a minimum. Where there are no legal or practical impediments, we vote on our clients’ investments across all developed and emerging markets globally, where possible. Source: L&G, as at 30 June 2026.



UK - Q2 2026 voting summary

| Shareholder-proposed resolutions: |     |         |         |       |           |           |
|-----------------------------------|-----|---------|---------|-------|-----------|-----------|
| Proponent/Category                | For | Against | Abstain | For % | Against % | Abstain % |
| Shareholder                       | 1   | 20      | 0       | 5%    | 95%       | 0%        |
| Environmental                     | 0   | 1       | 0       | 0%    | 100%      | 0%        |
| Miscellaneous                     | 1   | 0       | 0       | 100%  | 0%        | 0%        |
| Director Election                 | 0   | 17      | 0       | 0%    | 100%      | 0%        |
| Compensation                      | 0   | 2       | 0       | 0%    | 100%      | 0%        |

| Number of       | Values |
|-----------------|--------|
| Resolutions     | 5616   |
| AGM Resolutions | 5535   |
| EGM Resolutions | 81     |
| AGM             | 309    |
| EGM             | 45     |
| Meetings        | 354    |

| Most popular resolutions                                                         | Number of resolutions |
|----------------------------------------------------------------------------------|-----------------------|
| Elect Director                                                                   | 2358                  |
| Approve Issuance of Equity or Equity-Linked Securities without Preemptive Rights | 481                   |
| Accept Financial Statements and Statutory Reports                                | 301                   |
| Advisory Vote to Ratify Named Executive Officers' Compensation                   | 299                   |
| Authorize Share Repurchase Program                                               | 296                   |

| How L&G voted | Number of votes | % Aligned management recommendations |
|---------------|-----------------|--------------------------------------|
| For           | 5234            | 100%                                 |
| Against       | 381             | 6%                                   |
| Abstain       | 1               | 100%                                 |

| Number of companies where L&G voted:          | Value |
|-----------------------------------------------|-------|
| In Total                                      | 325   |
| For in all resolutions                        | 169   |
| Against or Abstain in at least one resolution | 156   |

Voting data shown is “For” and “Against” the resolution. Please note that for shareholder resolutions, a vote “For” the resolution is a vote against management.We aim to keep abstentions to a minimum. Where there are no legal or practical impediments, we vote on our clients’ investments across all developed and emerging markets globally, where possible. Source: L&G, as at 30 June 2026.



Europe ex UK - Q2 2026 voting summary

| Management-proposed resolutions: |       |         |         |       |           |           |
|----------------------------------|-------|---------|---------|-------|-----------|-----------|
| Proponent/Category               | For   | Against | Abstain | For % | Against % | Abstain % |
| Management                       | 15187 | 4074    | 23      | 79%   | 21%       | 0%        |
| Routine Business                 | 3613  | 138     | 0       | 96%   | 4%        | 0%        |
| E&S Blended                      | 169   | 4       | 0       | 98%   | 2%        | 0%        |
| Director Related                 | 3613  | 395     | 1       | 90%   | 10%       | 0%        |
| Compensation                     | 1790  | 1595    | 0       | 53%   | 47%       | 0%        |
| Director Election                | 2470  | 1242    | 21      | 66%   | 33%       | 1%        |
| Audit Related                    | 1135  | 103     | 1       | 92%   | 8%        | 0%        |
| Procedural/Non-Equity            | 79    | 197     | 0       | 29%   | 71%       | 0%        |
| Miscellaneous                    | 147   | 12      | 0       | 92%   | 8%        | 0%        |
| Capitalization                   | 1542  | 246     | 0       | 86%   | 14%       | 0%        |
| Takeover Related                 | 24    | 11      | 0       | 69%   | 31%       | 0%        |
| Social                           | 18    | 65      | 0       | 22%   | 78%       | 0%        |
| Non-Routine Business             | 232   | 21      | 0       | 92%   | 8%        | 0%        |
| Company Articles                 | 276   | 35      | 0       | 89%   | 11%       | 0%        |
| Strategic Transactions           | 71    | 7       | 0       | 91%   | 9%        | 0%        |
| Environmental                    | 7     | 3       | 0       | 70%   | 30%       | 0%        |
| Mutual Funds                     | 1     | 0       | 0       | 100%  | 0%        | 0%        |

Voting data shown is “For” and “Against” the resolution. Please note that for shareholder resolutions, a vote “For” the resolution is a vote against management. We aim to keep abstentions to a minimum. Where there are no legal or practical impediments, we vote on our clients’ investments across all developed and emerging markets globally, where possible. Source: L&G, as at 30 June 2026.





Europe ex UK - Q2 2026 voting summary

| Shareholder-proposed resolutions: |     |         |         |       |           |           |
|-----------------------------------|-----|---------|---------|-------|-----------|-----------|
| Proponent/Category                | For | Against | Abstain | For % | Against % | Abstain % |
| Shareholder                       | 251 | 157     | 2       | 61%   | 38%       | 0%        |
| Director Election                 | 52  | 76      | 1       | 40%   | 59%       | 1%        |
| Miscellaneous                     | 48  | 19      | 0       | 72%   | 28%       | 0%        |
| Audit Related                     | 47  | 29      | 0       | 62%   | 38%       | 0%        |
| Director Related                  | 94  | 12      | 1       | 88%   | 11%       | 1%        |
| Compensation                      | 0   | 6       | 0       | 0%    | 100%      | 0%        |
| E&S Blended                       | 1   | 1       | 0       | 50%   | 50%       | 0%        |
| Social                            | 0   | 1       | 0       | 0%    | 100%      | 0%        |
| Environmental                     | 1   | 5       | 0       | 17%   | 83%       | 0%        |
| Company Articles                  | 7   | 5       | 0       | 58%   | 42%       | 0%        |
| Non-Routine Business              | 1   | 3       | 0       | 25%   | 75%       | 0%        |

| How L&G voted | Number of votes | % Aligned management recommendations |
|---------------|-----------------|--------------------------------------|
| For           | 15438           | 100%                                 |
| Against       | 4231            | 9%                                   |
| Abstain       | 25              | 8%                                   |

Voting data shown is “For” and “Against” the resolution. Please note that for shareholder resolutions, a vote “For” the resolution is a vote against management.We aim to keep abstentions to a minimum. Where there are no legal or practical impediments, we vote on our clients’ investments across all developed and emerging markets globally, where possible. Source: L&G, as at 30 June 2026.

| Number of       | Values |
|-----------------|--------|
| Resolutions     | 19694  |
| AGM Resolutions | 19182  |
| EGM Resolutions | 512    |
| AGM             | 1135   |
| EGM             | 97     |
| Meetings        | 1232   |

| Most popular resolutions                                                         | Number of resolutions |
|----------------------------------------------------------------------------------|-----------------------|
| Elect Director                                                                   | 3029                  |
| Approve Discharge of Supervisory Board Member XXX/Non-Executive Board Member XXX | 1704                  |
| Advisory Vote to Ratify Named Executive Officers' Compensation                   | 1058                  |
| Approve Allocation of Income and Dividends                                       | 811                   |
| Accept Financial Statements and Statutory Reports                                | 810                   |

| Number of companies where L&G voted:          | Value |
|-----------------------------------------------|-------|
| In Total                                      | 1090  |
| For in all resolutions                        | 87    |
| Against or Abstain in at least one resolution | 1003  |



North America - Q2 2026 voting summary

| Management-proposed resolutions: |       |         |         |       |           |           |
|----------------------------------|-------|---------|---------|-------|-----------|-----------|
| Proponent/Category               | For   | Against | Abstain | For % | Against % | Abstain % |
| Management                       | 14849 | 10654   | 5       | 58%   | 42%       | 0%        |
| Director Election                | 11227 | 7059    | 3       | 61%   | 39%       | 0%        |
| Audit Related                    | 1793  | 898     | 0       | 67%   | 33%       | 0%        |
| Compensation                     | 916   | 2509    | 0       | 27%   | 73%       | 0%        |
| Takeover Related                 | 193   | 32      | 0       | 86%   | 14%       | 0%        |
| Company Articles                 | 81    | 20      | 0       | 80%   | 20%       | 0%        |
| Capitalization                   | 191   | 36      | 0       | 84%   | 16%       | 0%        |
| Director Related                 | 219   | 47      | 0       | 82%   | 18%       | 0%        |
| Strategic Transactions           | 77    | 20      | 0       | 79%   | 21%       | 0%        |
| Routine Business                 | 102   | 16      | 0       | 86%   | 14%       | 0%        |
| Miscellaneous                    | 19    | 9       | 0       | 68%   | 32%       | 0%        |
| E&S Blended                      | 8     | 1       | 0       | 89%   | 11%       | 0%        |
| Non-Routine Business             | 5     | 1       | 0       | 83%   | 17%       | 0%        |
| Social                           | 6     | 0       | 0       | 100%  | 0%        | 0%        |
| Procedural/Non-Equity            | 9     | 6       | 2       | 53%   | 35%       | 12%       |
| Environmental                    | 2     | 0       | 0       | 100%  | 0%        | 0%        |
| Mutual Funds                     | 1     | 0       | 0       | 100%  | 0%        | 0%        |

Voting data shown is “For” and “Against” the resolution. Please note that for shareholder resolutions, a vote “For” the resolution is a vote against management. We aim to keep abstentions to a minimum. Where there are no legal or practical impediments, we vote on our clients’ investments across all developed and emerging markets globally, where possible. Source: L&G, as at 30 June 2026.





North America - Q2 2026 voting summary

| Shareholder-proposed resolutions: |     |         |         |       |           |           |
|-----------------------------------|-----|---------|---------|-------|-----------|-----------|
| Proponent/Category                | For | Against | Abstain | For % | Against % | Abstain % |
| Shareholder                       | 307 | 149     | 0       | 67%   | 33%       | 0%        |
| Routine Business                  | 4   | 22      | 0       | 15%   | 85%       | 0%        |
| Miscellaneous                     | 3   | 13      | 0       | 19%   | 81%       | 0%        |
| Compensation                      | 5   | 9       | 0       | 36%   | 64%       | 0%        |
| Director Related                  | 85  | 19      | 0       | 82%   | 18%       | 0%        |
| Social                            | 55  | 33      | 0       | 62%   | 38%       | 0%        |
| Environmental                     | 40  | 8       | 0       | 83%   | 17%       | 0%        |
| Corporate Governance              | 96  | 6       | 0       | 94%   | 6%        | 0%        |
| E&S Blended                       | 8   | 29      | 0       | 22%   | 78%       | 0%        |
| Non-Routine Business              | 7   | 2       | 0       | 78%   | 22%       | 0%        |
| Company Articles                  | 0   | 3       | 0       | 0%    | 100%      | 0%        |
| Director Election                 | 4   | 5       | 0       | 44%   | 56%       | 0%        |

| How L&G voted | Number of votes | % Aligned management recommendations |
|---------------|-----------------|--------------------------------------|
| For           | 15156           | 98%                                  |
| Against       | 10803           | 1%                                   |
| Abstain       | 5               | 40%                                  |

Voting data shown is “For” and “Against” the resolution. Please note that for shareholder resolutions, a vote “For” the resolution is a vote against management.We aim to keep abstentions to a minimum. Where there are no legal or practical impediments, we vote on our clients’ investments across all developed and emerging markets globally, where possible. Source: L&G, as at 30 June 2026.

| Number of       | Values |
|-----------------|--------|
| Resolutions     | 25964  |
| AGM Resolutions | 25731  |
| EGM Resolutions | 233    |
| AGM             | 2673   |
| EGM             | 78     |
| Meetings        | 2751   |

| Most popular resolutions                                       | Number of resolutions |
|----------------------------------------------------------------|-----------------------|
| Elect Director                                                 | 18253                 |
| Ratify Auditors                                                | 2402                  |
| Advisory Vote to Ratify Named Executive Officers' Compensation | 2320                  |
| Amend Omnibus Stock Plan                                       | 436                   |
| Approve Auditors and Authorize Board to Fix Their Remuneration | 250                   |

| Number of companies where L&G voted:          | Value |
|-----------------------------------------------|-------|
| In Total                                      | 2700  |
| For in all resolutions                        | 62    |
| Against or Abstain in at least one resolution | 2638  |



Japan - Q2 2026 voting summary

| Management-proposed resolutions: |      |         |         |       |           |           |
|----------------------------------|------|---------|---------|-------|-----------|-----------|
| Proponent/Category               | For  | Against | Abstain | For % | Against % | Abstain % |
| Management                       | 7378 | 509     | 0       | 94%   | 6%        | 0%        |
| Routine Business                 | 480  | 0       | 0       | 100%  | 0%        | 0%        |
| Director Election                | 6069 | 379     | 0       | 94%   | 6%        | 0%        |
| Takeover Related                 | 0    | 12      | 0       | 0%    | 100%      | 0%        |
| Director Related                 | 398  | 69      | 0       | 85%   | 15%       | 0%        |
| Company Articles                 | 120  | 22      | 0       | 85%   | 15%       | 0%        |
| Compensation                     | 291  | 22      | 0       | 93%   | 7%        | 0%        |
| Capitalization                   | 3    | 1       | 0       | 75%   | 25%       | 0%        |
| Strategic Transactions           | 4    | 4       | 0       | 50%   | 50%       | 0%        |
| Non-Routine Business             | 4    | 0       | 0       | 100%  | 0%        | 0%        |
| Audit Related                    | 7    | 0       | 0       | 100%  | 0%        | 0%        |
| Miscellaneous                    | 2    | 0       | 0       | 100%  | 0%        | 0%        |

Voting data shown is “For” and “Against” the resolution. Please note that for shareholder resolutions, a vote “For” the resolution is a vote against management. We aim to keep abstentions to a minimum. Where there are no legal or practical impediments, we vote on our clients’ investments across all developed and emerging markets globally, where possible. Source: L&G, as at 30 June 2026.



Japan - Q2 2026 voting summary

| Shareholder-proposed resolutions: |     |         |         |       |           |           |
|-----------------------------------|-----|---------|---------|-------|-----------|-----------|
| Proponent/Category                | For | Against | Abstain | For % | Against % | Abstain % |
| Shareholder                       | 63  | 175     | 0       | 26%   | 74%       | 0%        |
| Non-Routine Business              | 11  | 17      | 0       | 39%   | 61%       | 0%        |
| Director Election                 | 11  | 25      | 0       | 31%   | 69%       | 0%        |
| Social                            | 4   | 1       | 0       | 80%   | 20%       | 0%        |
| Routine Business                  | 8   | 80      | 0       | 9%    | 91%       | 0%        |
| Director Related                  | 8   | 3       | 0       | 73%   | 27%       | 0%        |
| Compensation                      | 13  | 1       | 0       | 93%   | 7%        | 0%        |
| Environmental                     | 5   | 43      | 0       | 10%   | 90%       | 0%        |
| Corporate Governance              | 3   | 0       | 0       | 100%  | 0%        | 0%        |
| Miscellaneous                     | 0   | 4       | 0       | 0%    | 100%      | 0%        |
| E&S Blended                       | 0   | 1       | 0       | 0%    | 100%      | 0%        |

| How L&G voted | Number of votes | % Aligned management recommendations |
|---------------|-----------------|--------------------------------------|
| For           | 7441            | 99%                                  |
| Against       | 684             | 26%                                  |
| Abstain       | 0               | 0%                                   |

Voting data shown is “For” and “Against” the resolution. Please note that for shareholder resolutions, a vote “For” the resolution is a vote against management.We aim to keep abstentions to a minimum. Where there are no legal or practical impediments, we vote on our clients’ investments across all developed and emerging markets globally, where possible. Source: L&G, as at 30 June 2026.

| Number of       | Values |
|-----------------|--------|
| Resolutions     | 8125   |
| AGM Resolutions | 8087   |
| EGM Resolutions | 38     |
| AGM             | 722    |
| EGM             | 11     |
| Meetings        | 733    |

| Most popular resolutions                                                             | Number of resolutions |
|--------------------------------------------------------------------------------------|-----------------------|
| Elect Director                                                                       | 6448                  |
| Approve Allocation of Income and Dividends                                           | 470                   |
| Appoint Internal Statutory Auditor(s) [and Approve Auditor's/Auditors' Remuneration] | 266                   |
| Amend Articles to: (Japan)                                                           | 142                   |
| Approve Restricted Stock Plan                                                        | 128                   |

| Number of companies where L&G voted:          | Value |
|-----------------------------------------------|-------|
| In Total                                      | 732   |
| For in all resolutions                        | 409   |
| Against or Abstain in at least one resolution | 323   |



Asia Pacific ex Japan - Q2 2026 voting summary

| Management-proposed resolutions: |       |         |         |       |           |           |
|----------------------------------|-------|---------|---------|-------|-----------|-----------|
| Proponent/Category               | For   | Against | Abstain | For % | Against % | Abstain % |
| Management                       | 23240 | 4558    | 54      | 83%   | 16%       | 0%        |
| Director Election                | 4534  | 1040    | 54      | 81%   | 18%       | 1%        |
| Compensation                     | 2272  | 553     | 0       | 80%   | 20%       | 0%        |
| Routine Business                 | 7356  | 344     | 0       | 96%   | 4%        | 0%        |
| Strategic Transactions           | 1223  | 669     | 0       | 65%   | 35%       | 0%        |
| Capitalization                   | 2797  | 886     | 0       | 76%   | 24%       | 0%        |
| Non-Routine Business             | 1135  | 207     | 0       | 85%   | 15%       | 0%        |
| Company Articles                 | 1798  | 352     | 0       | 84%   | 16%       | 0%        |
| Audit Related                    | 1459  | 349     | 0       | 81%   | 19%       | 0%        |
| Miscellaneous                    | 159   | 32      | 0       | 83%   | 17%       | 0%        |
| Director Related                 | 478   | 120     | 0       | 80%   | 20%       | 0%        |
| Social                           | 24    | 6       | 0       | 80%   | 20%       | 0%        |
| Takeover Related                 | 5     | 0       | 0       | 100%  | 0%        | 0%        |

Voting data shown is “For” and “Against” the resolution. Please note that for shareholder resolutions, a vote “For” the resolution is a vote against management. We aim to keep abstentions to a minimum. Where there are no legal or practical impediments, we vote on our clients’ investments across all developed and emerging markets globally, where possible. Source: L&G, as at 30 June 2026.



Asia Pacific ex Japan - Q2 2026 voting summary

| Shareholder-proposed resolutions: |     |         |         |       |           |           |
|-----------------------------------|-----|---------|---------|-------|-----------|-----------|
| Proponent/Category                | For | Against | Abstain | For % | Against % | Abstain % |
| Shareholder                       | 585 | 192     | 0       | 75%   | 25%       | 0%        |
| Director Election                 | 389 | 62      | 0       | 86%   | 14%       | 0%        |
| Miscellaneous                     | 29  | 3       | 0       | 91%   | 9%        | 0%        |
| Non-Routine Business              | 53  | 95      | 0       | 36%   | 64%       | 0%        |
| Corporate Governance              | 10  | 5       | 0       | 67%   | 33%       | 0%        |
| Compensation                      | 27  | 15      | 0       | 64%   | 36%       | 0%        |
| Capitalization                    | 55  | 2       | 0       | 96%   | 4%        | 0%        |
| Audit Related                     | 5   | 1       | 0       | 83%   | 17%       | 0%        |
| Company Articles                  | 12  | 8       | 0       | 60%   | 40%       | 0%        |
| Director Related                  | 4   | 0       | 0       | 100%  | 0%        | 0%        |
| Environmental                     | 1   | 1       | 0       | 50%   | 50%       | 0%        |

| How L&G voted | Number of votes | % Aligned management recommendations |
|---------------|-----------------|--------------------------------------|
| For           | 23825           | 100%                                 |
| Against       | 4750            | 1%                                   |
| Abstain       | 54              | 0%                                   |

Voting data shown is “For” and “Against” the resolution. Please note that for shareholder resolutions, a vote “For” the resolution is a vote against management.We aim to keep abstentions to a minimum. Where there are no legal or practical impediments, we vote on our clients’ investments across all developed and emerging markets globally, where possible. Source: L&G, as at 1 March 2026.

| Number of       | Values |
|-----------------|--------|
| Resolutions     | 28629  |
| AGM Resolutions | 25711  |
| EGM Resolutions | 2918   |
| AGM             | 2497   |
| EGM             | 795    |
| Meetings        | 3292   |

| Most popular resolutions                                             | Number of resolutions |
|----------------------------------------------------------------------|-----------------------|
| Accept Financial Statements and Statutory Reports                    | 4126                  |
| Elect Director (Cumulative Voting or More Nominees Than Board Seats) | 3332                  |
| Elect Director                                                       | 2561                  |
| Approve Remuneration of Directors and/or Committee Members           | 2156                  |
| Approve Allocation of Income and Dividends                           | 1882                  |

| Number of companies where L&G voted:          | Value |
|-----------------------------------------------|-------|
| In Total                                      | 2550  |
| For in all resolutions                        | 876   |
| Against or Abstain in at least one resolution | 1674  |



Rest of World - Q2 2026 voting summary

| Management-proposed resolutions: |      |         |         |       |           |           |
|----------------------------------|------|---------|---------|-------|-----------|-----------|
| Proponent/Category               | For  | Against | Abstain | For % | Against % | Abstain % |
| Management                       | 4962 | 996     | 400     | 78%   | 16%       | 6%        |
| Routine Business                 | 1417 | 84      | 0       | 94%   | 6%        | 0%        |
| Capitalization                   | 157  | 26      | 0       | 86%   | 14%       | 0%        |
| Director Election                | 593  | 339     | 397     | 45%   | 26%       | 30%       |
| Director Related                 | 781  | 306     | 3       | 72%   | 28%       | 0%        |
| Company Articles                 | 347  | 20      | 0       | 95%   | 5%        | 0%        |
| Compensation                     | 449  | 115     | 0       | 80%   | 20%       | 0%        |
| Audit Related                    | 204  | 8       | 0       | 96%   | 4%        | 0%        |
| Non-Routine Business             | 922  | 82      | 0       | 92%   | 8%        | 0%        |
| Strategic Transactions           | 47   | 3       | 0       | 94%   | 6%        | 0%        |
| Takeover Related                 | 2    | 1       | 0       | 67%   | 33%       | 0%        |
| Miscellaneous                    | 26   | 12      | 0       | 68%   | 32%       | 0%        |
| Social                           | 12   | 0       | 0       | 100%  | 0%        | 0%        |
| E&S Blended                      | 5    | 0       | 0       | 100%  | 0%        | 0%        |

Voting data shown is “For” and “Against” the resolution. Please note that for shareholder resolutions, a vote “For” the resolution is a vote against management. We aim to keep abstentions to a minimum. Where there are no legal or practical impediments, we vote on our clients’ investments across all developed and emerging markets globally, where possible. Source: L&G, as at 30 June 2026.



Rest of World - Q2 2026 voting summary

| Shareholder-proposed resolutions: |     |         |         |       |           |           |
|-----------------------------------|-----|---------|---------|-------|-----------|-----------|
| Proponent/Category                | For | Against | Abstain | For % | Against % | Abstain % |
| Shareholder                       | 100 | 31      | 1       | 76%   | 23%       | 1%        |
| Director Election                 | 56  | 22      | 1       | 71%   | 28%       | 1%        |
| Audit Related                     | 44  | 9       | 0       | 83%   | 17%       | 0%        |

| How L&G voted | Number of votes | % Aligned management recommendations |
|---------------|-----------------|--------------------------------------|
| For           | 5062            | 100%                                 |
| Against       | 1027            | 33%                                  |
| Abstain       | 401             | 96%                                  |

Voting data shown is “For” and “Against” the resolution. Please note that for shareholder resolutions, a vote “For” the resolution is a vote against management.We aim to keep abstentions to a minimum. Where there are no legal or practical impediments, we vote on our clients’ investments across all developed and emerging markets globally, where possible. Source: L&G, as at 30 June 2026.

| Number of       | Values |
|-----------------|--------|
| Resolutions     | 6490   |
| AGM Resolutions | 6020   |
| EGM Resolutions | 470    |
| AGM             | 377    |
| EGM             | 112    |
| Meetings        | 489    |

| Most popular resolutions                                             | Number of resolutions |
|----------------------------------------------------------------------|-----------------------|
| Approve Transaction with a Related Party                             | 842                   |
| Elect Director (Cumulative Voting or More Nominees Than Board Seats) | 740                   |
| Elect Director                                                       | 457                   |
| Receive/Approve Report/Announcement                                  | 440                   |
| Approve Remuneration of Directors and/or Committee Members           | 377                   |

| Number of companies where L&G voted:          | Value |
|-----------------------------------------------|-------|
| In Total                                      | 361   |
| For in all resolutions                        | 76    |
| Against or Abstain in at least one resolution | 285   |



# Global engagement summary Q2 2026

In Q2 2026, we held

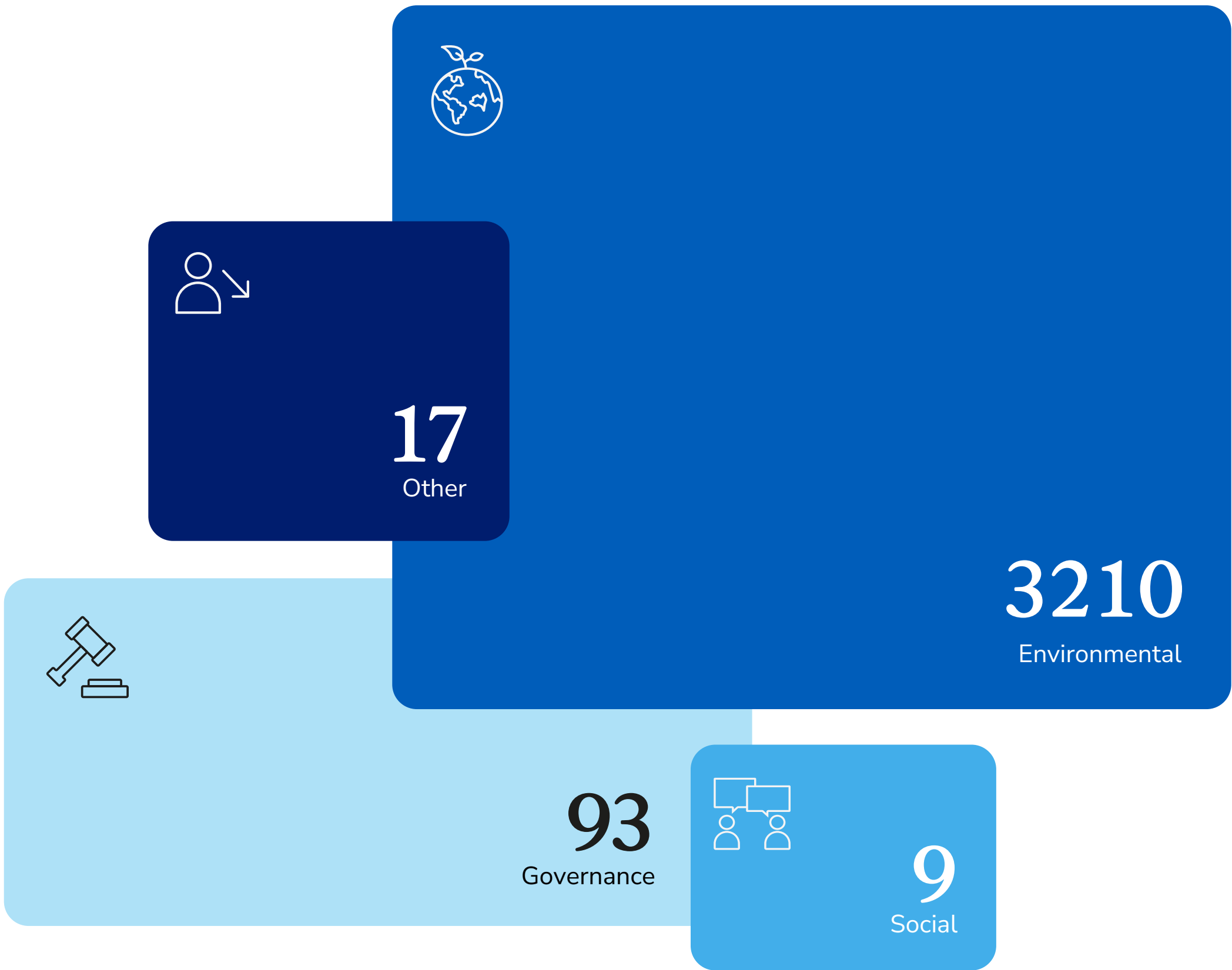


(vs.389 engagements with 367 companies last quarter).  
3226 of these engagements were undertaken by the Investment Stewardship team, 23 involved both the Investment Stewardship and Investment teams, and 22 were undertaken by the Investment team.

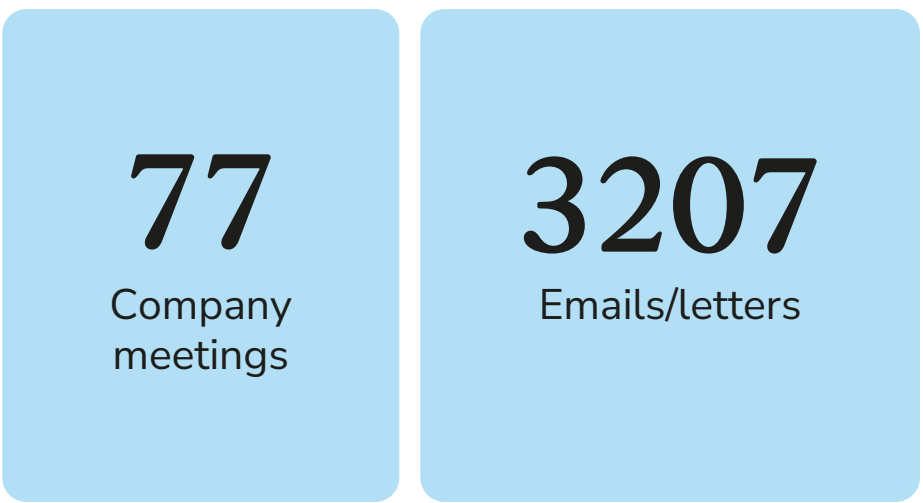


# Breaking down the engagement numbers - Q2 2026

Breakdown of engagement by themes



Engagement type



Engagement undertaken by

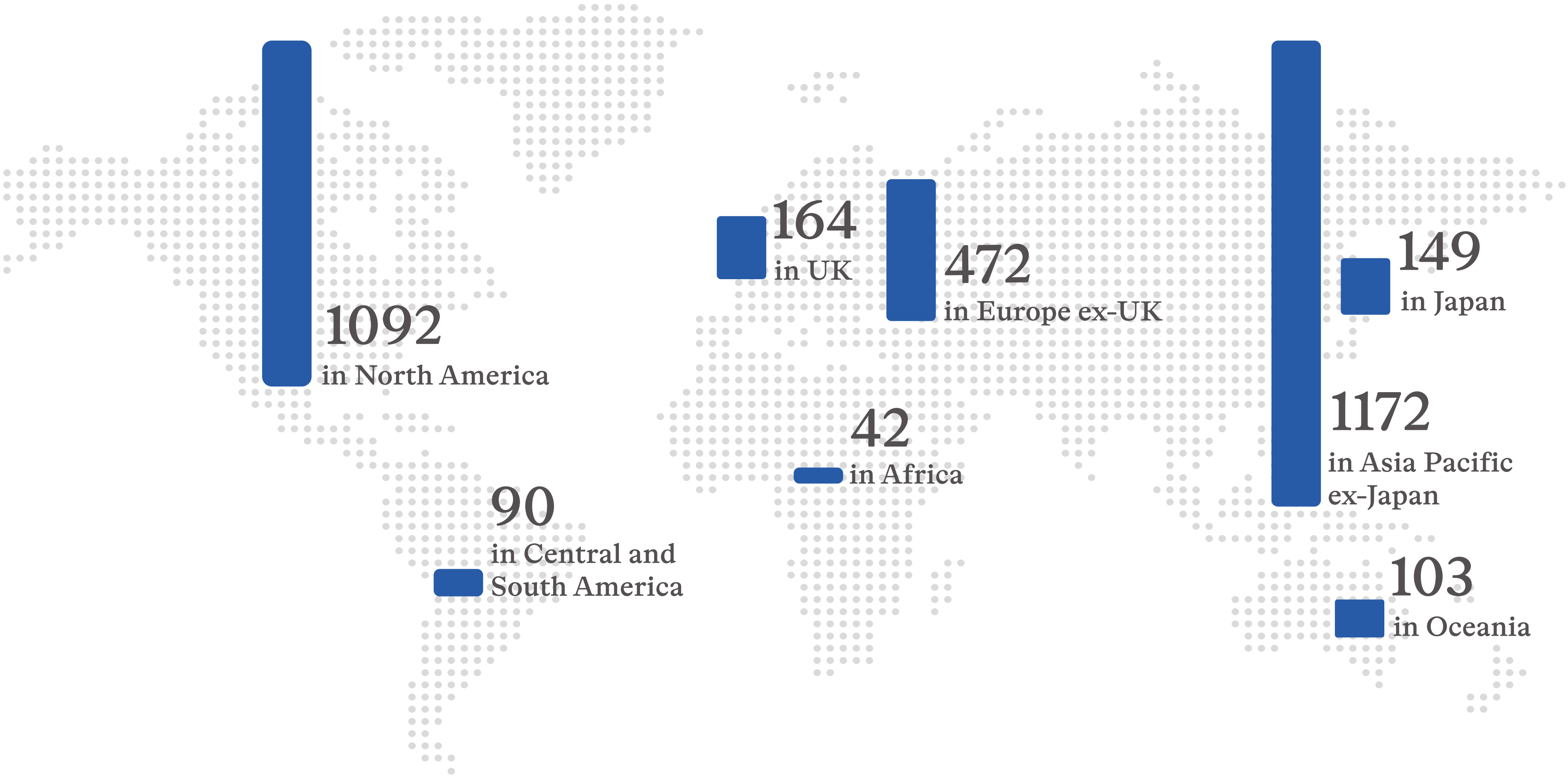


Top 5 engagement topics





Regional breakdown of engagements





# Contact us:

For further information about the Asset Management business of L&G, please visit [am.landg.com](https://am.landg.com) or contact your usual L&G representative.



## Key risk

The value of an investment and any income taken from it is not guaranteed and can go down as well as up, and the investor may get back less than the original amount invested. Past performance is not a guide to future performance.

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