

IMPLEMENTATION STATEMENT

The Trustees of The London Clinic Limited (1974) Retirement Fund

The Trustees of the London Clinic Limited (1974) Retirement Fund have prepared this implementation statement in compliance with the governance standards introduced under the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 (as amended). Its purpose is to demonstrate how, and the extent to which, the Fund's Statement of Investment Principles has been followed, if there has been any review of the SIP and how the policies on voting, stewardship and engagement have been followed. This statement covers the period 1 January 2024 to 31 December 2024.

A. Voting and Engagement Policy

The policy as set out in the SIP in respect of voting, stewardship and engagement is in summary as follows:

- i. The majority of the Fund's portfolio invests via pooled investment funds, meaning that the Fund investments are pooled with those of other investors. It can be harder for those invested in pooled funds to exert their influence, given the other investors with a stake, but the Trustees still monitor and engage as much as possible.
- ii. Voting decisions on stocks are delegated to the investment manager of the pooled funds held by the Fund.
- iii. SEI, the Fund's Fiduciary Manager, or the investment manager of a third party pooled fund, has full discretion for undertaking engagement activities in respect of the investments.
- iv. Where the investment manager is SEI, they have pooled their holdings in their funds with other investors and employed a specialist ESG provider for voting and engagement services.
- v. SEI will report on voting and engagement activity to the Trustees on a periodic basis together with its adherence to the UK Stewardship Code. The Trustees will consider whether the approach taken was appropriate or whether an alternative approach is necessary. The Fiduciary Manager is a signatory to the UK Stewardship Code.
- vi. The Trustees will assess the Fiduciary Manager's performance against objectives annually including how well the Fiduciary Manager is aligned with the SIP in terms of ESG factors.

The Trustees are of the opinion that this policy has been followed during the year. In light of the above and otherwise, the Trustees have considered their policy in regard to voting and stewardship and concluded that

- The current policy is appropriate and no further action is required at this stage, albeit the Trustees will continue to monitor the performance of this policy and SEI's performance in the future.

B. Voting Record

Partners Capital themselves do not hold stocks and thus have not exercised any voting rights on the Trustee's behalf during the year.

During the period from 1 January 2024 to 31 December 2024, across the Fund's holdings¹ the voting behaviour for the equity funds is shown in the below table.

Fund Name	CT Global Responsible Equity Fund	Lazard Global Sustainable Equity Fund
ISIN	IE00B19H3542	IE00B8DH0X69
Number of Votable Meetings	52	47
Number of Votable Items	736	733
% of Items Voted	100%	90%
% of votes with management	95%	98%
% of votes against management	4%	2%
% of votes other	1%	0%

C. Significant Votes

A highlight of some of the significant votes during the period are shown in the table below.

Lazard considers most significant votes in the following order: firstly, any "Say on Climate" management proposal, secondly, a select group shareholder proposals where they voted for the proposal and against management, thirdly, any votes considered controversial by their investment professionals, and lastly any managerial proposal where they voted against management. The resultant proposal buckets are then ranked by the company's average holding within the fund over the period under review to identify the top votes.

Columbia Threadneedle (BMO) considers significant votes based on one or more of the following criteria: materiality of issues and impact on shareholder value, votes against the recommendation of the Board, size of the shareholding relative to the total portfolio, materiality of the vote to engagement outcomes and finally size of the holdings in the company.

¹ SEI has shown voting data for the relevant quarters the fund was invested in.

Company Name	Held in Fund(s) (% size of holding)²	Theme	Date of Vote and Outcome	Vote Decision and Significance of vote
Accenture plc	Lazard Global Sustainable Equity Fund Inc (3.4%)	Management - Elect Director Nancy McKinstry	31/01/2024 Against	Voted against the proposal, which is warranted, as potentially over-boarded, as current CEO of Wolters Kluwer and also Non-Executive Director on the Board of Abbott Labs; Tracy Travis – Non-Executive Director – potentially over-boarded, as current CFO of Estee Lauder and also Non-Executive Director/Chair of Audit committee of the Board of Meta.
Apple Inc.	CT Global Responsible Equity Fund (<0.05%)	Gender/Racial Pay Gap	28/02/2024 Against	Voted for the proposal. The proposed enhanced disclosure would help the board and shareholders better assess existing and potential future risks related to human capital management.
Novo Nordisk A/S	CT Global Responsible Equity Fund (<0.05%)	Management- Reelect Henrik Poulsen (Vice Chair) as Director	21/03/2024 Abstain	Voted abstain. We oppose dual class structures with impaired or enhanced voting rights. The company should amend its structure to allow for equal voting rights among shareholders. In recent years, this is not the first time that we have been unable to support a pay related proposal at the company. Due to ongoing concerns regarding decisions taken by the remuneration committee chair, we are not inclined to support their re-election to the board.
IQVIA Holdings Inc.	Lazard Global Sustainable Equity Fund (2.7%)	Management - Elect Director Todd B. Sisitsky	16/04/2024 Against	Voted against the proposal to elect Director Todd B. Sisitsky holding more than five directorships at public companies. Directors' responsibilities are complex and time-consuming. To consider whether a director may be over-committed ('overboarded') to other duties, we account for the complexity of roles - with double count for Chairs and quadruple for executive directors.
Intuitive Surgical, Inc.	CT Global Responsible Equity Fund (<0.05%)	Gender/Racial Pay Gap	25/04/2024 For	Voted for the proposal. Shareholders could benefit from the median pay gap statistics that would allow them to compare and measure the progress of the company's diversity and inclusion initiatives.
Danaher Corporation	Lazard Global Sustainable Equity Fund (2.2%)	Shareholder - Reduce Ownership Threshold for Shareholders	07/05/2024 For	Voted for this proposal is warranted. Lowering the ownership threshold from 25 percent to 15 percent would improve shareholders' ability to use the special meeting right and no single shareholder

² % holding as at last day of the quarter in which vote occurred.

		to Call Special Meeting		would be able to act unilaterally to call a special meeting at the proposed threshold.
Watts Water Technologies, Inc.	Lazard Global Sustainable Equity Fund (2.0%)	Management - Elect Director Michael J. Dubose	22/05/2024 Against	Withhold votes are warranted for Governance Committee members David Dunbar, Michael Dubose, Louise Goeser, Merilee Raines, and Joseph Reitmeier for maintaining a multi-class structure that is not subject to a reasonable time-based sunset provision.
DexCom, Inc.	CT Global Responsible Equity Fund (<0.05%)	Median Gender/Racial Pay Gap	22/05/2024 For	Voted for the proposal. Shareholders could benefit from the median pay gap statistics that would allow them to compare and measure the progress of the company's diversity and inclusion initiatives.
Airbnb, Inc.	CT Global Responsible Equity Fund (<0.05%)	Political Contributions and Expenditures	05/06/2024 For	Voted for the proposal. Comprehensive, aggregate disclosure on political spending is best practice. Disclosure should include all state and local donations including support for 527 organizations and ballot initiatives. In addition, the company should identify key relationships with trade associations that engage in lobbying on the corporation's behalf, as well as describe its policies and processes for giving. We ask that the board provide ultimate oversight for political donations.
Alphabet Inc.	CT Global Responsible Equity Fund (<0.05%)	Human Rights Risk Assessment on the AI-Driven Targeted Ad Policies	07/06/2024 For	Voted for the proposal. Shareholders would benefit from further information on how the company plans to mitigate human rights risks related to its targeted advertising practices given the company faces several investigations regarding its practices and with rising regulatory risks particularly in the EU.
Autodesk, Inc.	Lazard Global Sustainable Equity Fund (2.0%)	Shareholder - Provide Right to Call a Special Meeting	16/07/2024 Against	Voted for the proposal to Provide Right to Call a Special Meeting. A vote for this proposal is warranted as the right to call special meetings at a 15 percent ownership threshold would enhance shareholders rights.
Deere & Company	Lazard Global Sustainable Equity Fund (1.6%)	Shareholder - Submit Severance Agreement (Change-in-Control) to Shareholder Vote	28/02/2024 For	LAM agrees with the proponent that a company's parachute provisions should be reasonable and not excessive. To be effective without creating distorted incentives with respect to management, severance arrangements must be considerably less attractive than continued employment with the company.

Ecolab Inc.	Lazard Global Sustainable Equity Fund (1.4%)	Management - Elect Director John J. Zillmer	02/05/2024 Against	Voted against this nominee for holding more than five directorships at public companies. Directors' responsibilities are complex and time-consuming. To consider whether a director may be over-committed ('overboarded') to other duties, we account for the complexity of roles - with double count for Chairs and quadruple for executive directors.
AIA Group Limited	Lazard Global Sustainable Equity Fund (0.9%)	Management - Elect Cesar Velasquez Purisima as Director	24/05/2024 Against	Voted against this nominee for sitting on more than five public boards.

D. Engagement Activity

A highlight of some of the engagements during the period are shown in the table below.

Lazard's Stewardship Committee have established three overarching stewardship priorities to guide their engagement endeavours:

1) Climate Change: with an emphasis on engaging in dialogue with companies to understand the risks and opportunities of transitioning their operations, products, and supply chains towards a Net Zero 2050 goal.

2) Diversity: with an emphasis on board level gender and ethnic diversity, as well as encouraging improvements within workforce diversity

3) Executive compensation: encouraging a transition away from shareholder primacy and incentivising management to deliver performance that benefits both shareholders and stakeholders, with an emphasis on integrating climate and diversity into compensation plans.

Meanwhile Columbia Threadneedle's key engagement endeavours have been around Climate Change, Labour Standards, and Corporate Governance.

Below, we provide examples of engagement activity across the two funds and managers.

Company Name	Held in Fund(s)	Theme	Objective	Description
Zebra Technologies Corp	CT Global Responsible Equity Fund	Environmental Stewardship, Climate Change and Labour Standards	Call with VP IR on environmental & social strategy	We met with the Investor Relations team at Zebra Tech to discuss their key ESG highlights for the year and their strategy going forward. Zebra's efforts continue to be focused on climate, human capital and resource conservation. The company is gearing up for CSRD Reporting and has appointed an ESG Reporting director to see this through. However, we noted that the company plans to delay annual reporting to bring out a consolidated report in 2026 that

				<p>combines 2024 and 2025 data under different applicable reporting standards. On a positive note, the company has completed a double materiality assessment for key ESG issues to comply with CSRD, the results of which may be disclosed in 2025. On the climate side, the company has implemented various initiatives like clean energy via fuel cells, renewable energy contracting, lighting retrofits etc. and has completed decarbonization audits at major facilities to achieve their science-based emission reduction targets (50% reduction in S1+2 emissions by 2030) The company largely relies on supplier assessments via scorecards and engagement to achieve its scope 3 emission reduction goals. We were encouraged to note that Zebra's suppliers have been signing up to SBTi to set goals. We encouraged the company to disclose at least its Tier 1 supplier list, number of suppliers with SBT goals and supplier assessment results to better assess climate risk. On the Human capital side, the company is spending a lot of resources into people managers to drive, attract and retain talent. We were encouraged with the above industry benchmark participation from Zebra's employees (>20%) in their Employee Resource Groups. Zebra has also been recognized externally as a good workplace, which helps drive and attract talent within the organisation. Succession planning and rigorous training for continued involvement and growth remain Zebra's key focus. We encouraged greater transparency in human capital metrics, including disclosure of gender wise turnover rates, employee grievance channel statistics, etc. to assess effectiveness of the company's human capital strategy. Finally, the company said that due to poor volumes in the company's mobile computing segment, its biggest recycling segment was hit hard, making it unlikely that their circular economy goal of 1 mn pieces will be met.</p>
Apple Inc	CT Global Responsible Equity Fund	Human Rights and Corporate Governance	Meeting with IR and Legal on general ESG topics	<p>We held our regular ESG dialogue with IR and legal. We discussed the governance and oversight of the responsible AI principles the company shared this year. The company clearly explained how these principles are integrated into their corporate governance. We talked about the private</p>

				cloud compute capabilities apple has developed. They mentioned there are possibilities for independent external verification of these systems to guarantee the functionality, but they were not able to make any announcements on how this will structurally be assessed. The company noted the NetZero targets will not be scaled back if more energy is required for AI. All computing power will be generated with renewable energy. Overall the company has a clear and leading responsible AI strategy that takes user friendliness and privacy into account.
Waste Connections Inc	CT Global Responsible Equity Fund	Environmental Stewardship and Labour Standards	Call with IR on human capital management & environmental strategy	We spoke with the IR at WCN to discuss key highlights in their latest sustainability report. We were encouraged by the strong focus on human capital development that led to a big drop in voluntary turnover rates from its peak in 2022/23. The Company attributed this increased retention to 1) Embracing diversity 2) Increased adoption and use of technology to maintain health and safety 3) Greater focus on training & development and upskilling 4) maintaining a culture of servant leadership that keeps people at the center. They linked reduced turnover to a 120 bps expected margin expansion of which 30-40 bps had already been unlocked during the year in the form of reduced recruitment and training costs, less accidents and increased staff retention. We think the Company's human capital management strategy, supplemented with increased use of technology, is key on its path to growth of new growth areas like renewable natural gas and recycling.
Xylem Inc/NY	CT Global Responsible Equity Fund	Climate Change and Corporate Governance	Dialogue with CSO on Say on Pay and Climate Opportunities	Xylem is committed to aligning its compensation structure with its strategic priorities, including improving margins, driving consistent capital deployment, and maintaining sustainability leadership. The company is considering changes to its annual incentive plan, incorporating quantitative metrics such as margin, free cash flow, and sustainability targets like reducing scope 1 and 2 emissions. Xylem sees significant growth opportunities in emerging markets, where there is structural funding for water solutions and a need for incremental infrastructure. The company's solutions are well-

				positioned to address climate change mitigation and adaptation, with a focus on digital twin solutions for modeling climate events and building resilience. Xylem leverages expert climate data to inform its growth strategy, targeting vertical markets where it can add sustainable value, such as wastewater utilities and addressing leakage issues.
Intuitive Surgical Inc	CT Global Responsible Equity Fund	Corporate Governance	Meeting on previous and current AGM with management	We had a governance focused call with Intuitive Surgical. The company has an upcoming Annual General meeting, and we discussed key bullet items. In the past we had voted against compensation for the company, but will be supporting the plan as they have made improvements. Lastly, we discussed the company's shareholder proposal to Report on Gender/Racial Pay Gap. The company does not believe an unadjusted assessment of pay is an accurate representation of their pay practices.
Hoya Corp	CT Global Responsible Equity Fund	Climate Change, Environmental Stewardship, Human Rights and Labour Standards	In-person meeting with IR on ESG	We met Hoya's Investor Relations in our office to discuss operational and ESG topics. Firstly, we congratulated Hoya on its improved CDP score which went from C to B. On Scope 3 emissions, Hoya shared they will have a first set of Scope 3 categories ready within 12 to 18 months before finalizing all categories. Once the company has finalized scope 3 calculations it plans to set SBTi targets. Hoya is no longer included in the Know the Chain benchmark and Corporate Human Rights Benchmark. As both benchmarks provided useful elements to assess supply chain and human rights risks, the company shared they now feel a bit left on their own. The company's sustainability team consists of 4 people and the Chief Sustainability Officer. Therefore, resources available to assess human rights due diligence are limited. We agreed with the company to have a dedicated conversation about this and share our experience on this topic to help the company move forward. Finally on recycling, Hoya shared it has recycling targets at each division and we shared that if this makes sense to the company, we don't see the need for a group-wide target.

Acuity Brands Inc	CT Global Responsible Equity Fund	Climate Change and Labour Standards	Dialogue with CFO about climate change and D&I	We spoke to the CFO, Governance SVP and IR representative of Acuity Brands about the company's new Earthlight report, the recently approved SBTi target, as well as the company's disclosure around D&I. Acuity have made great progress on their ambition and disclosure since we started engaging with the company. In particular the company's climate strategy is strong, as its products lend themselves naturally (more efficient lighting) to increased regulatory pressures for efficient housing. We encouraged the company to report in line with the TCFD, to better explain this risk/opportunity lens. We also encouraged the company to set clear D&I targets for increasing POC and women in leadership roles.
Linde PLC	CT Global Responsible Equity Fund	Climate Change and Corporate Governance	Call with IR on 2023 AGM and Environmental Program	Linde is the world's largest industrial gas company by market share and revenue. We had a call with them to discuss our previous votes for their 2023 Annual General Meeting and to learn about their environmental program. We noted that the board has 20% women, well below our 27% voting threshold. They are looking to refresh the board and so we can expect to see changes to their board composition which may include an increase in gender diversity, a development that we would welcome. We discussed their 2028 Sustainable Development Targets published in their 2022 Sustainability report. The company has 2028 goal to reduce their GHG Emissions intensity by 35%. They are also looking to reduce their absolute GHG emissions by 35% by 2035. They are looking to reduce their scope 1, by focusing on blue hydrogen. Lastly, we discussed their efforts on reducing their Scope 3. All in all, we were able to gain context about the different initiatives taking place internally and externally for the company to reach their reduction goals.
Compass	Lazard Global Sustainable Equity Fund	Environment	To understand the evolving risks and opportunities that Compass is facing in relation to climate change and nature when it comes to both winning new	ESG factors, and Compass's ability to deliver on these, is a key determinant of them winning new business. Compass helps their clients to achieve their sustainability KPIs, offering market leading local sourcing and supply chain traceability (through their "Foodbuy" platform), food waste reduction (aiming for a 50% reduction by 2030 through new tracking technology "Waste Not 2.0" which they have now implemented at

			<p>business and the sustainability of their operations. Compass is the world's largest outsourced caterer, offering healthy and safe meals to 5.5 billion people annually. Ongoing internal discussions on sources of global emissions highlighted the opportunity within food, specifically food waste which accounts for 8-10% of annual GHG emissions globally and costs \$1tn.</p>	<p>over 8k sites) and CO2 emissions reduction (i.e. through menu design). For example, the chefs in collaboration with the menu design team have achieved a new Bolognese recipe with 59% less carbon through a combination of ingredient and supplier changes. Scope 3: Engagement with supplier is a key focus area. They have met with 17 suppliers (\$2.5bn of spend) so far through small roundtables in which they discuss sustainable strategy and best practice. They also have a team of data scientists working with their suppliers to calculate individual LCAs, but this is still 3-5 years away. Healthier choices: Improved food labelling has enabled consumers to make the most informed health choices, while food placement acts as a 'nudge' into healthier choices. For example, Compass places meat last so consumers are more likely to fill their plates with plant-based food first. Diversity: Compass is removing barrier to women's progression by improving internal policies and recognition. Lots more women have been promoted internally but absolute growth has caused the number of women in leadership positions to be static. Compass has also created new maternity chef workwear following feedback from employee outreach sessions. Analysis: Compass's ability to win and retain business is strongly linked to their ability to deliver of ESG KPIs, evidencing a strong link between sustainability and financial productivity. Over time we should see the wider role out of their food waste tracking technology be beneficial to both margins (through cost reduction) and emissions as they start to use this data to better inform their procurement decisions. Outcome: The discussion gave greater confidence in our investment thesis. Areas for further engagement include a deeper dive into their food procurement programme.</p>
Wolters Kluwer	CT Global Responsible Equity Fund	Social & Governance	We engaged with Wolters Kluwer to better understand their future DE&I strategy, plan	DE&I: They believe "belonging" is the ultimate measure of an equitable workforce, and this will be their aspirational goal going forwards now they have reached gender equality. Wolters define belonging as "being

			<p>for board succession, and the suitability of their ESG metrics in compensation. Wolters Kluwer help make the world healthier by enabling doctors to make medical diagnoses quicker and more accurately through their clinical solution business. In our opinion, they are a leader in gender diversity with 50% representation at most levels. Given this, we were keen to understand from them what they believe the future of an equitable workforce looks like.</p>	<p>comfortable in bringing your authentic self to work”, and measure it through specific questions in their GLINT surveys. Belonging is a fairly new metric, but interest in this measurement from other large global corporates has started to increase since Wolters implemented it.</p> <p>Board: Currently searching for a new board member who is highly experienced in healthcare/ data analytics to replace skills leaving. % women on the board is likely to go down given Dutch law requires them to hire a male due to the existing (high) % women on the board. Strong on diversity elsewhere in the organization with 50% of the executive board also being female.</p> <p>ESG metrics in pay: Wolters incorporate 3 ESG metrics into executive STIPs, totaling 10%. This is split equally between: real estate footprint (E, previously data storage), belonging score (S), and cyber security (G).</p> <p>Analysis:</p> <p>We felt that there was a lack of clarity around Wolters’s environmental strategy given their E metric within pay has just been changed, and this will only be an interim metric. Their focus on reducing office sqm is reasonable as long as it is accompanied by efforts to also tackle emissions.</p> <p>We were pleased to see Wolters’s is already thinking ahead when it comes to next steps on their DE&I journey towards a fully equitable workforce. This is the first time we had heard a company talk about this metric, and will endeavour to monitor how it evolves over time, particularly given it makes up part of executive STIP.</p> <p>Outcome:</p> <p>We intend to further discuss our thoughts/ provide feedback on the ESG metrics Wolters’s has included in their remuneration policy with appropriate members of the board ahead of their AGM.</p>
Accenture	Lazard Global Sustainable Equity Fund	Human Rights	<p>We engaged with Accenture on human rights, specifically in relation to their content moderation business. We</p>	<p>Accenture provides content moderation services for various social media platforms. This is primarily being done by their employees, often located in developing countries, but they are continually looking into how they can better leverage AI, such as Large Language Models (LLMs).</p>

			<p>believe that exposing employees to long shifts of watching highly sensitive content could create a potential human rights related risk. On the other hand, we wanted to better understand the business opportunity from content moderation given new tailwinds, as well as how AI may help reduce any human rights related risks.</p> <p>Accenture is a global provider of information technology and consulting services, specialising in cloud implementation projects. While their content moderation business is only small, regulatory tailwinds (such as the EU's Digital Services Act) and a structural shift towards a more digital world are driving growth in this segment. However, the financial risk associated with their content moderation business will be heightened by the EU's Corporate Sustainability Due Diligence Directive</p>	<p>Employees are trained from their first day, with ongoing feedback and coaching to ensure they 1) understand the mental health risks associated with the job and 2) how they can identify them/ask for help. All content moderation employees have unlimited access to mental health professionals. Accenture acknowledge that content moderation is unlikely to be a job for life, and so are working on reskilling programmes for employees.</p> <p>Analysis: The engagement gave us confidence that Accenture has implemented the necessary guardrails to reduce human rights related risk within their content moderation business. However, we felt that there was still a lack of transparency regarding 1) the size of the risk/ opportunity (i.e. size of the business segment/ forecasted growth), 2) the type of risk (type of content moderation being undertaken), and 3) the extent to which AI can be leveraged in the future.</p> <p>Outcome: We plan to undertake additional engagements with competitors/ industry experts within content moderation to better understand the areas where we identified a lack of transparency. Dependent on the outcome of these additional engagements, we may re-engage with Accenture.</p>
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			<p>(CSDDD), which can make companies financially liable for human rights abuses within their operations and value chain. There are varying types of content moderation, all of which sit along a scale of content sensitivity. Accenture does not disclose the % revenues that come from content moderation, or the type of content moderation they are involved in, despite listing this business activity as an operational risk in their 10K.</p>	
RELX	Lazard Global Sustainable Equity Fund	AI Ethics	<p>We met with RELX's Director of Corporate Responsibility and IR Director to discuss a) RELX Responsible AI Principles, and b) their commitment to ethical AI development. Relx provides information-based analytics and decision tools which help professionals make better decisions faster, helping to foster scientific development, prevent fraud, and evaluate risk. The company's</p>	<p>Notwithstanding the extraordinary opportunities & risks arising from AI, it is important for investors to focus on the responsible development, deployment and use of AI to prevent unintended consequences and societal harm. As part of this, we have conducted proprietary research to define best practice and develop an ethical AI framework by which to assess companies. RELX continue to prioritize internal extensive training and development opportunities on Responsible AI. The company conducts regular pulse surveys to gauge employee sentiment and address ethical concerns on AI. The Board of Directors, particularly through the Audit Committee, provides oversight on AI ethics, with reports presented in February and December. The company plans to update its Responsible AI Principles in 2024. The Chief Strategy Officer chairs the CTO forum, which is actively engaged in AI-related issues. Analysis:</p>

			<p>academic publishing business owns the world's largest database of peer-reviewed primary scientific and medical research. The impact of generative AI on Relx's business, both risks and opportunities, has been a focus of our investment research over the last year. We believe Relx to be an AI winner, but with greater implementation comes greater need to ensure it is used responsibly.</p>	<p>We believe RELX has in place strong governance practices around their use of AI. RELX invests approximately \$1.7 billion annually in technology, including AI development.</p> <p>Outcome:</p> <p>The engagement was supportive of the investment thesis. We believe Relx's Responsible AI Principles are industry-leading. As this topic evolves, we look forward to seeing how they incorporate cognitive diversity into these principles.</p>
Experian	Lazard Global Sustainable Equity Fund	AI Ethics	<p>Due to the extensive use of AI in their business model and products, we engaged with Experian to 1) better understand their approach to AI ethics, and 2) understand how their DE&I practices are helping to mitigate the risk of bias in their models. Experian provides credit reporting and data analytics services, which supports financial inclusion and promotes financial education, management</p>	<p>As the way the industry interacts with data continues to evolve, Experian's underlying principles around data remain the same. These principles have been in place for a long time and are built into all their codes of conduct/ compliance frameworks.</p> <p>All members of the board are responsible for AI ethics oversight. Experian's DE&I policies reflect evolving best practices, but they face challenges in meeting targets due to a substantial decrease in turnover post covid, which has naturally created fewer new hire opportunities. Diversity within hiring is at the forefront of the company's mind, with 50% of engineers hired from their latest hackathon considered diverse. We expressed the importance of diversity within engineers to ensure the risk of bias in algorithms created is minimized. Management is cautious about tying social metrics to executive compensation, citing concerns about forced compliance when their preference is a culture of belonging. Experian's products are driving financial inclusion. This varies by need in each region/ country and is not limited to emerging markets.</p>

			and security. Its innovative use of data better captures the true credit worthiness of underserved individuals, helping those that are 'credit invisible' access loans and financial services. They also use their data to prevent fraud and identity theft.	<p>Analysis:</p> <p>Experian's approach to AI ethics aligns well with our internal framework and we view them as a leader. We did however identify areas in which they could enhance their governance of ethics within AI, for example, by designating someone on the board who is responsible for its oversight and having specific AI ethics principles in place. However, their "Fairness as a Service" capability demonstrates proactive efforts to identify and prevent indirect biases.</p> <p>Outcome:</p> <p>To help continue with the positive momentum of their efforts, we have followed up with our suggested governance enhancement around AI ethics. We would also like to better understand how financial inclusion is driving their financial productivity.</p>
MSA Safety	Lazard Global Sustainable Equity Fund	Sustainable risks and opportunities within products	<p>Climate change and nature loss continue to pose new risks and opportunities to businesses. Our engagement aimed to better understand how significant some of these risks and opportunities are, specifically related to PFAS (forever chemicals). MSA Safety develops and manufactures safety products, including personal protective equipment (PPE) like helmets, gas detectors, and respiratory protection. They serve industries such as construction and firefighting, enhancing worker safety and ensuring compliance with</p>	<p>Product innovation: Created a hard hat that keeps workers up to 20 degrees cooler, and another that includes an MIPS protection layer to reduce risk of brain injury from angled impact. Also created a new firefighting helmet that can be taken apart. By doing so the soft element can be washed and reused after contaminated by a fire, creating less waste.</p> <p>New addressable market opportunities: Gas detection (fixed monitoring) systems can be used in hydrogen facilities without needing to change the equipment in any way- MSA having discussions in Europe about their equipment being used in hydrogen fuel cell plants.</p> <p>PFAS risk: MSA's product stewardships team are currently trying to identify PFAS within supplier parts but it's not in anything they manufacture themselves. Firefighting gear is a good example of this- despite there being some innovation, currently the alternatives do give them the quality/ performance they need.</p> <p>Analysis:</p> <p>With each state starting to bring out more regulation on PFAS use/ content, this risk is getting increasingly hard to navigate. However, MSA is following this closely and has become a leader on product PFAS transparency- each product has its own QR code that brings up all content information. Additionally, they are advocating for additional funding for research into alternative</p>

			<p>safety standards worldwide. Their firefighting gear is typically made out of materials containing PFAS due to its heat-resistant properties. PFAS are getting a lot of regulatory attention, partially in the US.</p>	<p>materials. We align with MSA's view that product quality should not be compromised until a suitable alternative has been found/ PFAS use is regulated against for this product given its critical nature.</p> <p>Outcome:</p> <p>Overall, we are satisfied that MSA is managing their product related ESG risks well. We requested greater transparency to be reported on the ESG goals being assessed by their CSR scorecard given it is unclear what these elements are/ their level of ambition.</p>
Topbuild	Lazard Global Sustainable Equity Fund	Human and Natural Capital	<p>We engaged with Topbuild to better understand how the landscape of sustainability tailwinds may evolve in light of newly elected president Trump. We also wanted to re-engage on the topic of disclosure as little progress has been made since our last engagement request.</p> <p>Topbuild is one of the largest insulation installers in the US, enabling the reduction of emissions from residential buildings, which account for ~20% of US emissions. This engagement follows a previous engagement ~2 years ago, where we requested improved disclosures. We wanted to</p>	<p>The 45L tax credit that builders can receive through the US's IRA can increase the amount of insulation used because builders are incentivised to achieve a higher star (efficiency) rating. Tax credits doubled to (up to) \$5000 under the IRA.</p> <p>In addition, earlier this year it was approved that for any loans for (new) homes underwritten by the Hud, houses need to comply with the 2021 IECC (International Energy Conservation Code) building code standards. Builders have until 2025 to comply, and compliance will be on a self-certification basis. The Hud underwrites ~15% of new home loans in the US (mostly entry level homes/ lower income). ~25% of states are currently building homes to 2012 standards and below- improving this to 2021 standards will need ~20% more insulation. ~25% of states building to 2018 code and above- might need ~10% more insulation. The kicker to this will be if Fanny & Freddy (who underwrite ~80% of US home loans) also choose to adopt this too.</p> <p>When discussing the potential impact of new deportation rules hinted by President-elect Trump, the company acknowledged that this presents a new business risk because the majority of their employees are working on a visa. However, they have good due diligence in place to ensure that all employees have the legal right to work, and they don't employ any sub-contractors. Topbuild believe they are in a better position vs. the rest of their industry if there was to new rules on deportation. Topbuild state that they are waiting on further guidance from the SEC before they move forward with deciding what</p>

			<p>ensure sufficient time was allowed for the company to action any changes but note little change improvements have been seen, and their reporting cycle has been delayed. Our climate alignment assessment (CAA) continues to flag Topbuild as “not aligned” to a net zero pathway.</p>	<p>and how to report going forwards. We acknowledged the reporting burden being put on companies, as well as the changing regulatory landscape in the US, particularly in relation to ESG. We suggested producing “tear sheet” information to ensure their reporting meeting minimum investor expectations, while producing a larger, but less frequent report to provide insight where meaningfully progress has been made.</p> <p>Analysis: The potential regulatory changes under President-elect Trump pose new business risks to the company, particularly around labour availability, however, these are being managed sufficiently at this time.</p> <p>Outcome: We followed up examples of other companies with good reporting formats. We will continue to monitor emerging business risks under the new President.</p>
Zoetis	Lazard Global Sustainable Equity Fund	Human and Natural Capital	<p>We engaged with Zoetis’ Head of Sustainability, Head of DEI & talent, and a member of the Corporate Governance Council across a range of ESG topics. Our focus was to follow up with the company on specific DEI asks from our previous engagement, but we also took this as a good opportunity to discuss their recently announced partnership with Danone, as well as any business impacts from the UN’s General Assembly on Antimicrobial Resistance (AMR). Zoetis is a global animal</p>	<p>DEI. Since our previous engagement, Zoetis have increased both their disclosures (turnover & parental leave) and achieved a 2025 target early (People of Colour in the US). Avoided emissions. Zoetis’ genetic testing solutions and expertise provide the ability to predict an animal’s susceptibility to costly diseases and potential to remain healthy and productive over its lifetime. By using Zoetis’ products, Danone will be able to selectively breed healthier herds and as a result, it will claim all associated emissions reductions.</p> <p>AMR. Zoetis were still working internally on insights gathered from the UN General Assembly on AMR so could not provide further detail at the time but will build these into their strategy accordingly. AMR is a big part of their double materiality assessment under CSRD.</p> <p>Governance. The company is anticipating that one board member will retire each year for the next 4 years. They have a succession plan in place and will be looking to fill key skill gaps the departing board members create, such as knowledge on specific animal health/ life sciences, as well as tech/AI experience to help drive the business forwards. In addition, ST/LT executive compensation targets and shareholder engagement over the previous year was discussed.</p>

			<p>health company that develops and markets veterinary vaccines, medicines, diagnostics, and other products to improve the health and productivity of livestock and companion animals. Previously we encouraged the company to 1) improve their disclosures related to DEI as we felt that they were lagging peers, and 2) link DEI goals to compensation given employees are material to the business's long-term competitiveness .</p> <p>Our questions on AMR follow on from a previous engagement in 2023, during which we set out to understand the extent to which AMR is an emerging business/ systemic risk, and the company's role in mitigating this.</p>	<p>Analysis: Zoetis continues to be a leader in pivoting their portfolio towards prevention (specifically single dose injectables) vs. treatment (antibiotics), which not only reduces the risk of AMR spread, but also increases the company's financial productivity through higher margins. We expect that over time Zoetis may cannibalise some of their antibiotic business with their genetic testing business (i.e. Clarifide products being used in partnership with Danone), but this is fine as it is also higher margin.</p> <p>Outcome: The engagement reinforced our investment thesis. We encouraged greater transparency in how Zoetis's "six strategic pillars" formally translate into executive compensation.</p>
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12 March 2025