

Engagement Policy Implementation Statement (“EPIS”)

Time Warner UK Pension Plan (the “Plan”)

Plan Year End – 31 March 2023

The purpose of the EPIS is for us, the Trustee of the Time Warner UK Pension Plan, to explain what we have done during the year ending 31 March 2023 to achieve certain policies and objectives set out in the Statement of Investment Principles (“SIP”). It includes:

1. How our policies in the SIP about asset stewardship (including both voting and engagement activity) in relation to the Plan’s investments have been followed during the year; and
2. How we have exercised our voting rights or how these rights have been exercised on our behalf, including the use of any proxy voting advisory services, and the ‘most significant’ votes cast over the reporting year.

Our conclusion

Based on the activity we have undertaken during the year, we believe that the policies set out in the SIP have been implemented effectively.

In our view, some of the Plan’s material investment managers were able to disclose adequate evidence of voting and/or engagement activity, and the activities completed by our managers align with our stewardship expectations. We believe our voting rights have been implemented effectively on our behalf. However, we have also seen inadequate level of disclosures from some of the managers and Aon is actively working with them via the engagement programme to improve this.

We delegate the management of some of the Plan’s assets to Aon Investments Limited (“Aon”) via a Fund of Funds arrangement. We believe the activities completed to review the underlying managers’ voting and engagement policies and activities align with our stewardship expectations.

How voting and engagement policies have been followed

The Plan is invested mostly in pooled funds, and so the responsibility for voting and engagement is delegated to the Plan's investment managers, which is in line with our policy. We reviewed the stewardship activity of the material investment managers carried out over the Plan year and in our view, most of the investment managers were able to disclose adequate evidence of voting and/or engagement activity. More information on the stewardship activity carried out by the Plan's investment managers can be found in the following sections of this report.

Over the reporting year, we monitored the performance of the Plan's investments on a quarterly basis and received updates on important issues from our investment adviser, Aon Investments Limited ("Aon"). In particular, we received quarterly Environmental Social Governance ("ESG") ratings from Aon for the funds the Plan is invested in where available.

Each year, we review the voting and engagement policies of the Plan's investment managers to ensure they align with our own policies for the Plan and help us to achieve them.

The Plan's stewardship policy can be found in the SIP: <https://wbd.com/time-warner-uk-pension-plan-statement-of-investment-principles-2023/>

Our Engagement Action Plan

Based on the work we have done for the EPIS, we have decided to take the following steps over the next 12 months:

1. Legal and General Investment Management ("LGIM") provided comprehensive list of their fund-level engagements, which we find encouraging, however these examples did not give as much detail as required by the Investment Consultants Sustainability Working Group ("ICSWG") industry standard. Aon will write to LGIM to let the manager know our expectations of better disclosures in future as part of the engagement programme.
2. Blackstone did not provide most of the engagement information requested. The manager said that level of engagement activity by topic/theme is according to their analysis and cannot be qualified by any quantitative measure and all opinions are subject to change. Aon will write to Blackstone to let the manager know our expectations of better disclosures in future via the engagement programme.
3. Although Brookfield did provide detailed information on the engagement policies, it did not provide any information on number of engagements and engagement themes. Aon will write to Brookfield to let the manager know our expectations of better disclosures in future via the engagement programme.
4. Schroders, held in Aon Diversified Liquid Strategy, did not provide any fund level engagement information. The manager said that the property managers are responsible for the day-to-day relationship with tenants and therefore it is difficult to quantify. Aon will engage with the manager on our behalf to better understand its engagement practices and discuss the areas which are behind our expectations.

What is stewardship?

Stewardship is investors using their influence over current or potential investees/issuers, policy makers, service providers and other stakeholders to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

This includes prioritising which ESG issues to focus on, engaging with investees/issuers, and exercising voting rights.

Differing ownership structures means stewardship practices often differ between asset classes.

Source: UN PRI

- We will undertake regular Environmental, Social, and Governance (ESG) monitoring of our managers.

Aon’s engagement activity

We invest some of the Plan's assets in Aon Diversified Liquid Strategy. This is a fund of funds arrangement, where Aon selects the underlying investment managers on our behalf.

We delegate monitoring of ESG integration and stewardship of the underlying managers to Aon. We have reviewed Aon’s latest annual Stewardship Report and we believe it shows that Aon is using its resources to effectively influence positive outcomes in the funds in which it invests.

Over the year, Aon held several engagement meetings with many of the underlying managers in its strategies. Aon discussed ESG integration, stewardship, climate, biodiversity and modern slavery with the investment managers. Aon provided feedback to the managers after these meetings with the aim of improving the standard of ESG integration across its portfolios.

Over the year, Aon engaged with the industry through white papers, working groups, webinars and network events, as well as responding to multiple consultations.

In 2021, Aon committed to achieve net zero emissions by 2050, with a 50% reduction by 2030 for its fully delegated clients’ portfolios and defined contribution default strategies (relative to baseline year of 2019).

Aon also successfully renewed its signatory status to the 2020 UK Stewardship Code.

Our managers’ voting activity

Good asset stewardship means being aware and active on voting issues, corporate actions and other responsibilities tied to owning a company’s stock. We believe that good stewardship is in the members’ best interests to promote best practice and encourage investee companies to access opportunities, manage risk appropriately, and protect shareholders’ interests. Understanding and monitoring the stewardship that investment managers practice in relation to the Plan’s investments is an important factor in deciding whether a manager remains the right choice for the Plan.

Voting rights are attached to listed equity shares, including equities held in multi-asset funds. We expect the Plan’s equity-owning investment managers to responsibly exercise their voting rights.

Voting statistics

The table below shows the voting statistics for the Plan’s material fund with voting rights for the year to 31 March 2023.

	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
LGIM Multi Factor Fund	11,712	99.8%	20.2%	0.1%

Source: Manager

Why is voting important?

Voting is an essential tool for listed equity investors to communicate their views to a company and input into key business decisions. Resolutions proposed by shareholders increasingly relate to social and environmental issues

Source: UN PRI

Use of proxy voting advisers

Many investment managers use proxy voting advisers to help them fulfil their stewardship duties. Proxy voting advisers provide recommendations to institutional investors on how to vote at shareholder meetings on issues such as climate change, executive pay and board composition. They can also provide voting execution, research, record keeping and other services.

Responsible investors will dedicate time and resources towards making their own informed decisions, rather than solely relying on their adviser's recommendations.

The table below describes how the Plan's manager uses proxy voting advisers.

Why use a proxy voting adviser?

Outsourcing voting activities to proxy advisers enables managers that invest in thousands of companies to participate in many more votes than they would without their support.

	Description of use of proxy voting adviser (in the manager's own words)
LGIM	LGIM's Investment Stewardship team uses Institutional Shareholder Services' ("ISS") 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and we do not outsource any part of the strategic decisions. To ensure our proxy provider votes in accordance with our position on ESG, we have put in place a custom voting policy with specific voting instructions.

Source: Manager

Significant voting

We asked the Plan's investment manager to provide details of what they consider to be the most significant votes in relation to the Plan's funds. These can be found in the appendix.

Our managers' engagement activity

Engagement is when an investor communicates with current (or potential) investee companies (or issuers) to improve their ESG practices, sustainability outcomes or public disclosure. Good engagement identifies relevant ESG issues, sets objectives, tracks results, maps escalation strategies and incorporates findings into investment decision-making.

The table below shows some of the engagement activity carried out by the Plan's material managers. The managers have provided information for the most recent calendar year available. Some of the information provided is at a firm-level i.e. is not necessarily specific to the funds invested in by the Plan.

Funds	Number of engagements		Themes engaged on at a fund-level
	Fund specific	Firm level	
LGIM – Multi-Factor Equity Fund	279	1,224	Environment – Climate change Social – Human and labour rights (e.g., supply chain rights, community relations), Human capital management (e.g., inclusion & diversity, employee terms, safety), Inequality, Public health Governance – Remuneration Strategy, Financial and Reporting – Reporting (e.g., audit, accounting, sustainability reporting), Strategy/purpose
Schroders plc – International Selection Fund (“ISF”) Securitised Credit Fund	<i>Not provided</i>	>2,800	Environment – Climate change Social – Human capital management (e.g., inclusion & diversity, employee terms, safety), Human and labour rights (e.g., supply chain rights, community relations) Governance – Leadership - Chair/CEO Strategy, Financial and Reporting – Capital allocation
Barings Short Dated Credit	476	760	Environment – Climate change, Natural resource use/impact (e.g., water, biodiversity) Social – Human and labour rights (e.g., supply chain rights, community relations), Human capital management (e.g., inclusion & diversity, employee terms, safety), Public health Governance – Board effectiveness – Diversity, Remuneration Strategy, Financial and Reporting – Reporting (e.g., audit, accounting, sustainability reporting), Strategy/purpose
Blackstone Partners Offshore Fund ¹	<i>Not provided</i>	>40	Not provided
Blackstone Property Partners Europe ²	<i>Not provided</i>	<i>Not provided</i>	Environment - Climate change, Pollution/Waste Social - Conduct, culture and ethics (e.g., tax, anti-bribery, lobbying), Human capital management (e.g., inclusion & diversity, employee terms, safety) Governance - Board effectiveness – Diversity, Independence, or Oversight Strategy, Financial and Reporting - Risk management (e.g., operational risks, cyber/information security, product risks), Reporting (e.g., audit, accounting, sustainability reporting)
Brookfield Real Estate Finance Fund V			<i>Not provided</i>

Source: Managers. Blackstone and Schroders did not provide fund level themes; themes provided are at a firm-level.

¹Firm level information was provided on Blackstone Alternative Asset Management (BAAM) level.

²Firm level information was not provided on Blackstone Group level.

Data limitations

At the time of writing, the following managers did not provide all the information we requested:

- Schroders did not provide any fund level engagement information.
- Blackstone did not provide engagement information on a fund level. Blackstone Group also did not provide engagement statistics on a firm level.
- Although Brookfield did provide detailed information on the engagement policies, it did not provide any information for number of engagements and engagement themes.

This report does not include commentary on the Plan's investment in gilts or cash because of the limited materiality of stewardship associated with these asset classes. Further this report does not include the additional voluntary contributions ("AVCs") due to the relatively small proportion of the Plan's assets that are held as AVCs.

Appendix – Significant Voting

The table below sets out the most significant votes during the year. In reaching this assessment, we have relied on the information provided to us by the investment manager. We consider a significant vote to be one which the manager considers significant and the most significant votes are those which the manager notifies to us accordingly. Managers use a wide variety of criteria to determine what they consider a significant vote, some of which are outlined in the examples below.

LGIM – Multi-Factor Equity Fund	Company name	Eli Lilly and Company
	Date of vote	02 May 2022
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.9%
	Summary of the resolution	Require Independent Board Chair
	How you voted	LGIM voted in favour of the shareholder resolution (management recommendation: against).
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an Annual General Meeting ("AGM") as our engagement is not limited to shareholder meeting topics.
	Rationale for the voting decision	Shareholder Resolution - Joint Chair/CEO: A vote in favour is applied as LGIM expects companies to establish the role of independent Board Chair.
	Outcome of the vote	Fail
	Implications of the outcome e.g., were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	On which criteria have you assessed this vote to be "most significant"?	LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote).
LGIM – Multi-Factor Equity Fund	Company name	Synopsys, Inc.
	Date of vote	12 April 2022
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.8%
	Summary of the resolution	Elect Director
	How you voted	Against
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.
	Rationale for the voting decision	Joint Chair/CEO: A vote against is applied as LGIM expects companies to separate the roles of Chair and CEO due to risk management and oversight. Independence: A vote against is applied as LGIM expects a board to be regularly

		refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background.
	Outcome of the vote	Pass
	Implications of the outcome e.g., were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	On which criteria have you assessed this vote to be "most significant"?	LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote). LGIM has a longstanding policy advocating for the separation of the roles of CEO and board chair. These two roles are substantially different, requiring distinct skills and experiences. Since 2015 we have supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 we have voted against all combined board chair/CEO roles.
LGIM – Multi-Factor Equity Fund	Company name	Exelon Corporation
	Date of vote	26 April 2022
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.7%
	Summary of the resolution	Elect Director
	How you voted	Against
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.
	Rationale for the voting decision	Diversity: A vote against is applied as the company has an all-male Executive Committee.
	Outcome of the vote	Pass
	Implications of the outcome e.g., were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	On which criteria have you assessed this vote to be "most significant"?	LGIM views diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.
LGIM – Multi-Factor Equity Fund	Company name	Abbott Laboratories
	Date of vote	29 April 2022
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.6%
	Summary of the resolution	Require Independent Board Chair
	How you voted	LGIM voted in favour of the shareholder resolution (management recommendation: against).

	Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.
	Rationale for the voting decision	Shareholder Resolution - Joint Chair/CEO: A vote in favour is applied as LGIM expects companies to establish the role of independent Board Chair.
	Outcome of the vote	Fail
	Implications of the outcome e.g., were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	On which criteria have you assessed this vote to be "most significant"?	LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote).
LGIM – Multi-Factor Equity Fund	Company name	Eaton Corporation plc
	Date of vote	27 April 2022
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.5%
	Summary of the resolution	Elect Director
	How you voted	Against
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.
	Rationale for the voting decision	Joint Chair/CEO: A vote against is applied as LGIM expects companies to separate the roles of Chair and CEO due to risk management and oversight.
	Outcome of the vote	Pass
	Implications of the outcome e.g., were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	On which criteria have you assessed this vote to be "most significant"?	LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote). LGIM has a longstanding policy advocating for the separation of the roles of CEO and board chair. These two roles are substantially different, requiring distinct skills and experiences. Since 2015 we have supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 we have voted against all combined board chair/CEO roles.
LGIM – Multi-Factor Equity Fund	Company name	Alphabet Inc.
	Date of vote	01 June 2022

Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.5%
Summary of the resolution	Report on Physical Risks of Climate Change
How you voted	For
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.
Rationale for the voting decision	Shareholder Resolution - Climate change: A vote in favour is applied as LGIM expects companies to be taking sufficient action on the key issue of climate change.
Outcome of the vote	Fail
Implications of the outcome e.g., were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
On which criteria have you assessed this vote to be "most significant"?	LGIM considers this vote significant as it is an escalation of our climate-related engagement activity and our public call for high quality and credible transition plans to be subject to a shareholder vote.

Source: Manager