

KEYMED PENSION AND ASSURANCE SCHEME (DC SECTION) – IMPLEMENTATION STATEMENT

Introduction

The information in this Implementation Statement (the “Statement”) refers to the DC Section of the KeyMed Pension and Assurance Scheme (“the Scheme”). This Statement sets out how, and the extent to which, the Statement of Investment Principles (“SIP”) produced by the Trustees has been followed during the year to 5 April 2025. This Statement has been produced in accordance with the Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018, the subsequent amendment in The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 and the statutory guidance on reporting on stewardship in the implementation statement dated 17 June 2022.

In summary, it is the Trustees view that all policies in the SIP have been followed over the period.

Investment Objectives of the Scheme

The Trustees recognise that members have differing investment needs and that these may change during the course of members’ working lives. The Trustees also recognise that members have different attitudes to risk. The Trustees believe that members should make their own investment decisions based on their individual circumstances. The Trustees regard their duty as making available a range of investment options sufficient to enable members to have more choices to assist in their own investment strategy.

The Trustees also recognise that members may not believe themselves qualified or confident to make investment decisions. As such the Trustees make available a default option. The default option places the emphasis on aiming to deliver a positive level of real return over members’ working lifetimes (whilst mitigating risk through diversification) and also encompasses a switch into asset classes designed to protect the member from a sudden fall in the retirement benefit purchasing power of their pension savings, in the years approaching the member’s selected target retirement age.

These objectives translate to the following principles:

- i. Offering members a pre-defined ‘Lifestyle’ approach to better cater for members’ changing needs and risk tolerances over the course of their retirement saving journey and ensuring that the investment strategy options allow members to plan for retirement;
- ii. Making available a range of pooled investment funds which serve to allow some flexibility to meet the varying investment approaches and risk tolerances of members;
- iii. Adopting a framework which provides flexibility to change investment managers proactively and which allows efficient fund switching (e.g. without out-of-market risk) as required;
- iv. Encouraging members to seek impartial financial advice from an appropriate party in determining the most suitable option for their individual circumstances;
- v. In determining an appropriate balance between providing flexibility and choice, as well as simplicity and cost control, the Trustees aim to make available a range of options which satisfy the needs of the majority of members.

The Trustees regularly review the suitability of the investment choices provided, in conjunction with the Scheme's investment consultant, and from time to time will change or introduce additional investment funds as appropriate.

Review of SIP

The statement is based on, and should be read in conjunction with, the relevant version of the SIP that was in place for the Scheme Year. For this Scheme Year, the SIP dated February 2024 was in place.

The latest SIP is publicly available and can be accessed on this link:
<https://www.olympus.co.uk/company/en/news/publications/>.

Investment Arrangements

The DC Section of the Scheme is invested in the Mercer Workplace Savings ("MWS") product via the Scottish Widows investment platform. MWS also serves as the delegated investment manager for some of the Scheme's funds noted below:

- Mercer Defensive Fund
- Mercer Multi Asset Moderate Growth Fund
- Mercer Multi Asset Growth Fund
- Mercer Multi Asset High Growth Fund
- Mercer Passive Sustainable Global Equity Fund

These funds are managed by MWS on a 'fund-of-funds' basis, where MWS selects the underlying investment managers (and therefore asset allocation) on a delegated basis.

The Scheme also provides access to additional funds which are hosted on the Scottish Widows platform, but are run by an external investment manager, BlackRock. The manager determines the underlying asset allocation / securities that the funds invest in. These funds are listed below:

- BlackRock Aquila MSCI World Index Fund
- BlackRock Cash Fund

Investment Strategy Review

The Trustees did not formally review the default investment option during the Scheme year, with the latest review being completed in February 2023. The next formal investment review is due in February 2026. However, at the time of writing this statement, the Sponsor is in the process of selecting a Master Trust for future contributions. The Trustees will review the chosen Master Trust to decide if it is also appropriate for receiving accrued pots. If suitable, a bulk transfer is anticipated to take place in early 2026.

Assessment of how the policies of the SIP have been followed for the year to 5 April 2025

The information provided in this section highlights the work undertaken by the Trustees during the year in implementing the policies set out in the SIP.

In summary, it is the Trustees' view that the policies in the SIP have been followed during the Scheme year to 5 April 2025.

Policy Requirements over the year to 5 April 2025

	Requirement	Policy	In the year to 5 April 2025
Strategic Asset Allocation			
1	Kinds of investments to be held and the balance between different kinds of investments	<p><i>(3.1) Investment Objectives</i></p> <p>The Trustees regard their duty as making available a range of investment options sufficient to enable members to have more choices to assist in their own investment strategy. This translates to offering members a pre-defined 'Lifestyle' approach to better cater for members changing needs and risk tolerances over the course of their retirement saving journey and ensuring that the investment strategy options allow members to plan for retirement and making available a range of pooled investment funds which serve to allow some flexibility to meet the varying investment approaches and risk tolerances of members.</p> <p>The Trustees also determine an appropriate balance between providing flexibility and choice, as well as simplicity and cost control when selecting the kind of investments, the Trustees aim to make available a range of options which satisfy the needs of the majority of members. To cater for the different risk appetites of members, the Trustees offer four Risk-Rated Funds, three Lifestyling options, a</p>	<p>The balance between the kinds of investments held remained unchanged over the Scheme year. No changes were made to the default investment strategy over the year.</p> <p>The Trustees reviewed this quarterly during the year with support from their investment consultant's quarterly investment performance report, which shows asset allocations within each of the underlying funds, and relative performance of different asset classes over different time periods.</p> <p>The Trustees will keep this under ongoing review with support from their investment consultant and MWS.</p>

	Requirement	Policy	In the year to 5 April 2025
		Global Equity fund, a Sustainable Global Equity Fund and a Cash fund.	
2	Risks, including the ways in which risks are to be measured and managed	<p><i>(3.2) Investment Risks</i></p> <p>The Trustees recognise that members have differing investment needs and that these may change during the course of members' working lives. The Trustees also recognise that members have different attitudes to risk.</p> <p>In arriving at this objective, the Trustees have considered the following risks:</p> <ul style="list-style-type: none"> • That inadequate investment returns lead to a low level of pension • That relative market movements, particularly in the years close to retirement, lead to a reduction in members' anticipated pension and cash lump sum • That active investment managers might underperform expectations • The risk that investment in overseas markets will be affected by changes in exchange rates leading to lower returns in pound sterling terms (e.g. due to appreciation of pound sterling relative to overseas currencies) <p>The Trustees undertake to review the Scheme's fund choices offered to</p>	<p>The Trustees consider both quantitative and qualitative measures for risks when deciding investment policies, strategic asset allocation and the choice of fund managers / funds / asset classes.</p> <p>Whilst the Trustees are not involved in MWS' day-to-day method of operating and therefore cannot directly influence attainment of performance targets, including risk targets, they assessed the performance and reviewed appointments using quantitative and qualitative factors.</p> <p>The Trustees' focus is on long-term performance but they also consider short-term performance in the context of market conditions. They may review a manager's appointment if:</p> <ul style="list-style-type: none"> • There are sustained periods of underperformance; • There is a change in the portfolio manager; • There is a change in the underlying objectives of the investment manager; • There is a significant change to the investment consultant's rating of the manager <p>No manager appointments were terminated over the Scheme year.</p> <p>Members can self select investment funds in any proportion to achieve the desired level of return and risk in line with their own attitude towards, and tolerance of risk. Within the default investment option, the strategic asset allocation is set to achieve the expected return required to meet the objective of the strategy.</p>

	Requirement	Policy	In the year to 5 April 2025
		members and the MWS arrangements on a regular basis.	
3	Expected return on investments	<p><i>(3.3) Default Investment option</i></p> <p>The default option aims to generate investment returns, in a risk-controlled manner, which are sufficient to provide a reasonable level of retirement benefits for members, given the level of contributions paid over their lifetime in the Scheme. In designing the default option, the Trustees have explicitly considered the trade-off between risk and expected returns. The default option manages investment risks through a diversified strategic asset allocation consisting of traditional and alternative assets. Risk is not considered in isolation, but in conjunction with expected investment returns and outcomes for members.</p>	<p>During the year the Trustees monitored performance of the funds against their stated objectives / benchmarks on a quarterly basis, with an investment performance report presented to the Trustees. The performance reports also included changes to the investment consultants' manager research rating. During the Scheme year the Trustees discussed the impact on investment returns of the default strategy's diversified approach in respect of asset classes invested in, given the variation in investment returns generated from equity markets and bond markets for example.</p> <p>At the time of writing this statement, the Sponsor is in the process of selecting Master Trust for future contributions. The Trustees will review the Master Trust to decide if it is also appropriate for receiving accrued pots. If suitable, a bulk transfer is anticipated to take place in early 2026.</p>
Investment Mandates			
4	Securing compliance with the legal requirements about choosing investments	<p><i>(1) Introduction</i></p> <p>This Statement (the SIP) is designed to meet the requirements of the Pensions Act 1995 and the Occupational Pension Schemes (Investment) Regulations 2005.</p> <p>In preparing this Statement, the Trustees have obtained written advice from the Scheme's investment consultant. The Trustees will obtain similar advice whenever the Statement is reviewed.</p>	<p>No investment strategy changes were implemented during the Scheme year by the Trustees.</p> <p>At the time of writing this statement, the Sponsor is in the process of selecting Master Trust for future contributions. The Trustees will review the Master Trust to decide if it is also appropriate for receiving accrued pots. If suitable, a bulk transfer is anticipated to take place in early 2026.</p> <p>The Trustees assessed their investment consultant against the objectives in place, set by the Trustees, in September 2024. The Trustees were satisfied with</p>

	Requirement	Policy	In the year to 5 April 2025
		<p>The Trustees' investment powers are set out within the Scheme's governing documentation and relevant legislation. If necessary, the Trustees will take legal advice regarding the interpretation of these. The Trustees note that, according to the law, the Trustees have ultimate power and responsibility for the Scheme's investment arrangements.</p> <p>The Trustees, in preparing this Statement, have also consulted KeyMed (Medical & Industrial Equipment) Limited ("the Company"), as Sponsor of the Scheme.</p>	<p>the performance of the investment consultant against these objectives over the prior 12 month period, including support around choosing investments.</p>
5	Realisation of investments	<p><i>(3.3 iV) Default Investment option</i></p> <p>The selection, retention and realisation of assets within the pooled funds are delegated to the respective underlying fund managers in line with the mandates of the funds.</p> <p>The Trustees have set out in the SIP their policy on investing in illiquid assets.</p>	<p>All the Scheme's assets are daily-priced and daily-dealt pooled investment arrangements, with assets invested in regulated markets, and therefore the assets would have been realisable as required during the Scheme year. There were no known liquidity issues during the Scheme year.</p> <p>The administrators realise assets following member requests for retirement or transfer, as required. The Trustees received administration reports on a quarterly basis and review performance of core financial transactions being processed within service level agreements and regulatory timelines.</p>
6	Financially material considerations over the appropriate time horizon of the investments, including how those considerations are taken into account in the selection, retention and realisation of investments	<p><i>(8) Policy on Socially Responsible Investment & Corporate Governance including Climate Change</i></p> <p>The Trustee believes that environmental, social, and corporate governance ('ESG') factors may have a material impact on investment risk and return outcomes, and that good stewardship can create and</p>	<p>The investment consultant's investment performance reports were reviewed by the Trustees on a quarterly basis, including ratings (both general and specific ESG) from the investment consultant. As at the end of the Scheme year, the majority of underlying managers carried the investment consultant's highest 'A' or 'B+' rating.</p> <p>No manager appointments were terminated over the Scheme year.</p> <p>The Mercer Passive Sustainable Global Equity is available in the fund range.</p>

	Requirement	Policy	In the year to 5 April 2025
		<p>preserve value for companies and markets as a whole.</p> <p><i>(5) Investment Manager Selection and Monitoring Criteria</i></p> <p>The Trustees will consider how ESG and stewardship are integrated into the investment process as well as ensuring fees are competitive within the asset class. The Trustees consider the investment consultant's manager research ratings when taking decisions on selection and retention of manager appointments.</p> <p><i>(3.3) Default Investment option</i></p> <p>The selection, retention and realisation of assets within the pooled funds are delegated to the respective underlying fund managers in line with the mandates of the funds. Likewise, the underlying fund managers have full discretion (within the constraints of their mandates) on the extent to which social, environmental or ethical considerations are taken into account in the selection, retention and realisation of investments.</p>	
7	The extent (if at all) to which non-financial matters are taken into account in the selection, retention and realisation of investments	<i>(8) Policy on Socially Responsible Investment & Corporate Governance including Climate Change</i>	Non-financial matters, such as member views, have not been taken into consideration during the Scheme year.

	Requirement	Policy	In the year to 5 April 2025
		Member views in respect of non-financial matters are not taken into account in the selection, retention and realisation of investments, but members can make their views known to the Trustees.	
Monitoring the investment managers			
8	How the arrangement with the asset manager incentivises the asset manager to align its investment strategy and decisions with the Trustees' policies.	<p><i>(2.3) Investment Management</i></p> <p>As the Trustees invest in pooled investment vehicles they accept that they have no ability to specify the risk profile and return targets of the manager, but appropriate mandates can be selected to align with the overall investment strategy.</p> <p><i>(4) Monitoring the Investment Managers</i></p> <p>The Trustees may meet with the investment managers if they are dissatisfied with their performance or engagement activity, and may choose to terminate the relationship with the manager if they see fit. The investment consultant to the Trustees also provides help in monitoring the investment managers, both in the form of written reports or attendance at meetings as required by the Trustees.</p>	<p>The investment consultant's investment performance reports were reviewed by the Trustees on a quarterly basis, including ratings (both general and specific ESG) from the investment consultant. As at the end of the Scheme year, the majority of underlying managers carried an 'A' or 'B+' rating, the investment consultant's highest ratings.</p> <p>The Trustees considers the continued appointment of the managers when appropriate and is happy that the contractual arrangements in place continue to incentivise the managers to make decisions based on medium to long-term financial performance. An appointment will be reviewed following periods of sustained underperformance. The Trustee is pro-active in monitoring and will be responsive if required.</p> <p>No manager appointments were terminated over the Scheme year.</p>
9	How the arrangement incentivises the asset manager to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity	<p><i>(5) Investment Manager Selection and Monitoring Criteria</i></p> <p>The Trustees consider their investment consultant's forward-looking assessment of a manager's ability to meet their</p>	As set out above, the Trustees' forward-looking ratings for the underlying investment managers remain high overall as at the Scheme year end. No manager appointments were terminated over the Scheme year.

	Requirement	Policy	In the year to 5 April 2025
	and to engage with issuers of debt or equity in order to improve their performance in the medium to long-term.	<p>objectives when appointing new investment managers and monitoring existing investment managers. This view will be based on an assessment of the manager's idea generation, portfolio construction, implementation and business management in relation to the particular investment fund that the Scheme invests in.</p> <p>The Trustees will consider how ESG and stewardship are integrated into the investment process as well as ensuring fees are competitive within the asset class. The Trustees consider the investment consultant's manager research ratings when taking decisions on selection and retention of manager appointments.</p> <p>If the investment objective for a particular manager's fund changes, the Trustees will review the fund appointment to ensure it remains appropriate and consistent with the Trustees wider investment objectives.</p>	
10	How the method (and time horizon) of the evaluation of the asset manager's performance and the remuneration for asset management services are in line with the Trustees' policies.	<p><i>(4) Monitoring the Investment Managers</i></p> <p>Whilst the Trustees are not involved in each investment managers' day-to-day method of operating and therefore cannot directly influence attainment of performance targets, they regularly assess performance and review</p>	The Trustees received quarterly investment performance reports over the year, which were reviewed at Trustee meetings. The Trustees reviewed absolute and relative performance against a suitable benchmark index and against the managers' stated performance targets over both shorter and longer term time horizons. The Trustees' focus is on longer term performance, however shorter term performance is considered in the context of market performance to confirm alignment with expectations.

	Requirement	Policy	In the year to 5 April 2025
		<p>appointments using quantitative and qualitative factors.</p> <p>The Trustees receive quarterly written reports from the investment consultant and the investment managers. The Trustees review absolute and relative performance against a suitable benchmark index and against the manager's stated performance target. Manager fees are calculated as a percentage of assets under management. As part of the annual Value for Members assessment, the Trustees review the investment manager fees and may request fee discounts if deemed appropriate.</p>	<p>As part of their value for members ("VfM") assessment covering the Scheme year to 5 April 2025, the Trustees have concluded the Scheme provides good value to members from a costs and charges perspective, with ongoing charges across the fund range at or below the lower quartile versus their respective peer groups.</p>
11	<p>How the Trustee monitors portfolio turnover costs incurred by the asset manager, and how they define and monitor targeted portfolio turnover or turnover range.</p>	<p><i>(10) Portfolio Turnover Costs</i></p> <p>The Trustees ask investment managers to include portfolio turnover and turnover costs in their presentations and reports to the Trustees. The Trustees consider portfolio turnover costs and the investment managers' performance as part of the annual Value for Members assessment.</p>	<p>The Trustees considered portfolio turnover costs by way of considering transactions costs during the Scheme year as part of the VfM assessment. The Trustees view the transaction costs incurred over the year as reasonable.</p> <p>The transaction costs for each fund cover the buying, selling, lending and borrowing of the underlying securities in the fund by the investment manager. An investment manager can also factor in anti-dilution mechanisms into the total transaction costs. At present, the Trustee notes several challenges in assessing these costs:</p> <ul style="list-style-type: none"> • No industry-wide benchmarks for transaction costs exist. • The methodology leads to some curious results, most notably "negative" transaction costs. • Explicit elements of the overall transaction costs are already considered when investment returns are reported, so any assessment must also be mindful of the return side of the costs. <p>There is little flexibility for the Trustee to impact transaction costs, as managers will essentially pass on the underlying costs of buying and selling securities in the market.</p>

	Requirement	Policy	In the year to 5 April 2025
12	The duration of the arrangement with the asset manager	<p><i>(11) Investment Manager Turnover</i></p> <p>The Trustees are a long-term investor and are not looking to change investment arrangements on a frequent basis. All the funds are open-ended with no set end date for the arrangement. The self-select fund range and default option are reviewed on at least a triennial basis. A manager's appointment may be terminated if it is no longer considered to be optimal nor have a place in the default strategy or self-select fund range.</p>	<p>The investment consultant's investment performance reports were reviewed by the Trustees on a quarterly basis, including ratings (both general and specific ESG) from the investment consultant. As at the end of the Scheme year, the majority of underlying managers carried an 'A' or 'B+' rating, the investment consultant's highest ratings.</p> <p>There were no changes made to the appointed investment managers during the Scheme year.</p> <p>The Trustees will retain the investment managers unless there is a change to the overall investment strategy, or if there is a significant change in investment personnel or firm ownership, or if the appointed managers' mandates are no longer suitable for the Scheme. Appointments are not duration based.</p>
ESG Stewardship and Climate Change			
13	Undertaking engagement activities in respect of the investments (including the methods by which, and the circumstances under which, Trustees would monitor and engage with relevant persons about relevant matters)	<p><i>(8) Policy on Socially Responsible Investment & Corporate Governance including Climate Change</i></p> <p>The Trustees wish to encourage best practice in terms of active engagement with entities in which they invest. The Trustees, while giving the investment managers full discretion when undertaking engagement activities, encourage the Scheme's investment managers to discharge their responsibilities in respect of investee companies in accordance with the principles underlying the UK Corporate Governance Code and the UK Stewardship Code, in respect of all resolutions at annual and extraordinary meetings. The Trustees will review the</p>	<p>As the Scheme invests solely in pooled funds, the Trustees require their investment managers to engage with the investee companies on their behalf. The Trustees have reviewed voting and engagement activity by the underlying investment managers in respect of the Trustees' stewardship priority areas, the results of which are set out later in this statement. The Trustees are satisfied that over the Scheme year, underlying manager engagement activity was aligned with the Trustees' stewardship priority areas.</p> <p>The Trustees did not engage directly with underlying companies held by the Scheme's funds during the Scheme year.</p>

	Requirement	Policy	In the year to 5 April 2025
		investment managers' policies and engagement activities (where applicable) on an annual basis.	
Voting Disclosures			
14	The exercise of the rights (including voting rights) attaching to the investments	<p><i>(8) Policy on Socially Responsible Investment & Corporate Governance including Climate Change</i></p> <p>The Trustee has given appointed investment managers full discretion in evaluating ESG factors, including climate change considerations, and exercising voting rights and stewardship obligations attached to the Scheme's investments.</p>	<p>As set out above, voting rights are held on the Trustees' behalf by underlying managers. The Trustees have reviewed voting and engagement activity by the Scheme's investment managers in respect of the Trustees' stewardship priority areas, the results of which are set out later in this statement. The Trustees are satisfied that over the Scheme year, underlying manger engagement activity was aligned with the Trustees' stewardship priority areas.</p> <p>The Trustees did not engage directly with underlying companies held by the Scheme's funds during the Scheme year.</p>

Voting activity during the year

Voting activity information over the 12 months to 31 March 2025 for each Fund with equity allocations that possess voting rights is summarised in the table below.

The Trustees do not use the direct services of a proxy voter. As MWS operates the Mercer funds on a “fund-of-funds” basis, the underlying investment managers may use proxy voting services. BlackRock’s proxy voting process is set out at the end of this document.

Fund	How many resolutions were you eligible to vote on?	What % of resolutions did you vote on for which you were eligible?	Of the resolutions on which you voted, what % did you vote with management?	Of the resolutions on which you voted, what % did you vote against management?	Of the resolutions on which you voted, what % did you abstain from voting?
Mercer Moderate Growth Fund	99,092	96.0%	84.5%	14.6%	0.9%
Mercer Growth Fund	87,220	94.0%	83.7%	15.4%	0.9%
Mercer High Growth Fund	101,294	96.1%	84.7%	14.4%	0.9%
Mercer Defensive Fund	41,641	95.0%	82.4%	15.8%	1.8%
Mercer Passive Sustainable Global Equity Fund	16,329	98.6%	77.0%	22.3%	0.6%
BlackRock Aquila Connect MSCI World Fund	21,305	97.0%	96.0%	3.0%	0.0%

Source: Scottish Widows and MWS

Significant Votes

A “Significant Vote” is defined as one that is related to the Trustees beliefs and stewardship themes/priorities. Furthermore, the Trustees only considers a vote to be significant if the investment also meets the holdings criteria. Further details on the stewardship priority areas and holdings criteria are set out below.

The Trustees have selected the following stewardship priority areas as significant. These areas are closely linked to some of the UN Sustainable Development Goals:

- **Environment:** Climate change: low-carbon transition & physical damages resilience;
- **Environment:** Pollution & natural resource degradation: air, water, land (forests, soils, biodiversity).
- **Social:** Human rights: modern slavery, pay, health and safety in workforce and supply chains, abuses in conflict zones.

- **Governance:** Diversity, Equity and Inclusion (DEI): Inclusive & diverse decision making, executive remuneration and board composition.

The Trustees recognise that there are a number of votes that fit within the above criteria, and have therefore only deem those votes significant that would have the largest impact on the assets that the Scheme invests in. Both the following holdings criteria must be met for a vote to be deemed as significant:

- Votes only for funds* that have £1m or more of Scheme assets;
and
- Of the votes that meet the stewardship priority areas and the assets criteria above, rank the votes for each fund by the percentage of the fund allocated to the company, and the highest two are the only ones deemed as significant.

** Funds with equity allocations which therefore have voting data*

All significant votes are set out below. There is some overlap in investments held across the different funds; where a significant vote has already been reported in this document for another fund, we have then selected the next highest ranking to report on, this is to avoid duplication.

Fund	Company	Approx. Size of mandate holding at date of vote (% of fund)	Date	Summary of the Resolution	How the manager voted	Priority Area for KeyMed	Rationale for the voting decision	Final Outcome	Next Steps
Mercer Defensive Fund	Apple Inc	0.641%	25/02/2025	Shareholder Proposal Regarding Abolishing Inclusion and Diversity Program and Policies	Against	Governance: Diversity, Equity and Inclusion	A vote AGAINST this resolution is warranted. The company provides several disclosures that relate to diversity and inclusion, and these disclosures appear to provide sufficient information for shareholders to evaluate the programs and policies in question. In addition, the company clearly provides its non-discrimination policies, it clearly discusses the board and management's role in oversight of the associated risks, and there do not appear to be any controversies related to employee diversity initiatives discriminating against employee groups at the company specifically.	Not Approved	The underlying fund investment manager will continue to vote in line with their published policies and positions.
	Microsoft Corporation	0.531%	10/12/2024	Shareholder Proposal Regarding Report on Risks of Providing AI to Facilitate New Oil and Gas Development and Production	Against	Environment: Climate Change	A vote AGAINST this resolution is warranted. The concerns by the proposal raised do not present significant material risks at this time. The company provides sufficient disclosure on its approach to providing services to energy sector customers.	Not Approved	Not provided

Fund	Company	Approx. Size of mandate holding at date of vote (% of fund)	Date	Summary of the Resolution	How the manager voted	Priority Area for KeyMed	Rationale for the voting decision	Final Outcome	Next Steps
Mercer Multi Asset Moderate Growth Fund	Apple Inc	2.174%	25/02/2025	Shareholder Proposal Regarding Abolishing Inclusion and Diversity Program and Policies	Against	Governance: Diversity, Equity and Inclusion	A vote AGAINST this resolution is warranted. The company provides several disclosures that relate to diversity and inclusion, and these disclosures appear to provide sufficient information for shareholders to evaluate the programs and policies in question. In addition, the company clearly provides its non-discrimination policies, it clearly discusses the board and management's role in oversight of the associated risks, and there do not appear to be any controversies related to employee diversity initiatives discriminating against employee groups at the company specifically.	Not Approved	The underlying fund investment manager will continue to vote in line with their published policies and positions.
	Microsoft Corporation	1.808%	10/12/2024	Shareholder Proposal Regarding Report on Risks of Providing AI to Facilitate New Oil and Gas Development and Production	Against	Governance: Diversity, Equity and Inclusion	A vote AGAINST this resolution is warranted. The concerns by the proposal raised do not present significant material risks at this time. The company provides sufficient disclosure on its approach to providing services to energy sector customers.	Not Approved	Not provided

Fund	Company	Approx. Size of mandate holding at date of vote (% of fund)	Date	Summary of the Resolution	How the manager voted	Priority Area for KeyMed	Rationale for the voting decision	Final Outcome	Next Steps
Mercer Multi Asset Growth Fund	Alphabet Inc	2.110%	07/06/2024	Shareholder Proposal Regarding EEO Policy Risk Report	Against	Governance: Diversity, Equity and Inclusion	A vote AGAINST this resolution is warranted. Alphabet has an EEO Policy which promotes a work environment that respects different points of view and ensures that employees are not subject to harassment, intimidation, bias, and discrimination. The company's current commitments, policies, and disclosures provide investors with adequate information to evaluate how the company protects against discrimination towards employees and any associated risks.	Not Approved	Not Provided
	Meta Platforms Inc	1.320%	29/05/2024	Shareholder Proposal Regarding Human Rights Impact Assessment of AI Used in Targeted Advertising	For	Social: Human Rights	A vote FOR this resolution is warranted. Many of the risks to the company over its advertising practices come from legislation enacted to protect human rights such as the freedom to privacy. These risks appear to be growing as the European Union, and some states in the U.S., enact further legal safeguards. In the EU, the company has also faced fines and adverse legal judgments that impact its business. A third-party assessment on the company's policies and practices related to targeted advertising could help shareholders assess the company's management of human rights-related risks	Not Approved	The underlying fund investment manager will follow up in post-season engagement to verify any progress on this topic.

Fund	Company	Approx. Size of mandate holding at date of vote (% of fund)	Date	Summary of the Resolution	How the manager voted	Priority Area for KeyMed	Rationale for the voting decision	Final Outcome	Next Steps
Mercer Multi Asset High Growth Fund	Alphabet Inc	0.850%	07/06/2024	Shareholder Proposal Regarding Human Rights Impact Assessment of AI-Driven Targeted Advertising	For	Social: Human Rights	A vote FOR this resolution is warranted. The company is taking some steps around responsible AI use and targeted advertising. However, and as noted by the proponent, targeted advertising is critical to the company's business. As there has been significant regulatory, legal, and reputational scrutiny around the company's targeted-advertising practices, the requested report would help shareholders better evaluate the effectiveness of the company's management of these issues and related risks.	Not Approved	The underlying fund investment manager will follow up in post-season engagement to verify any progress on this topic.
	Meta Platforms Inc	0.587%	28/02/2024	Shareholder Proposal Regarding Lobbying Activity Alignment with Net Zero Emissions Commitment	For	Environment: Climate Change	A vote FOR this resolution is warranted. Meta provides limited disclosure around its direct and indirect lobbying expenditures. It also does not go into detail about how it assesses misalignment or what strategies it would use when misalignments are found.	Not Approved	The underlying fund investment manager will follow up in post-season engagement to verify any progress on this topic.

Source: MWS.

MWS noted that they requested that the underlying fund investment managers confirm whether they communicated their intent to vote against management to the company ahead of the vote, as well as certain next steps taken by the investment managers following the vote. This information was not made available by investment managers at the time of writing.

BlackRock's proxy voting process

Proxy research firms provide research and recommendations on proxy votes as well as voting infrastructure. BlackRock Investment Stewardship leverages Institutional Shareholder Services (ISS) as an external proxy services vendor. ISS' electronic voting platform allows BlackRock Investment Stewardship to monitor voting activity, execute proxy vote instructions, record keep, and generate client and regulatory voting reports. BlackRock Investment Stewardship also uses Glass Lewis' services to support research and analysis. In addition to the global research provided by Institutional Shareholder Services (ISS) and Glass Lewis, BlackRock Investment Stewardship subscribes to market-specific research providers including Institutional Voting Information Service in the UK, Ownership Matters in Australia, Stakeholder Empowerment Services in India, and ZD Proxy in China.

Although proxy research firms provide important data and analysis, BlackRock Investment Stewardship does not follow any proxy research firm's voting recommendations.

BlackRock Investment Stewardship has operational specialists on the team who are fully focused on ensuring votes cast on behalf of clients are successfully instructed, using its vendor's electronic voting platform. The controls BlackRock Investment Stewardship has in place ensure that the team identifies upcoming meetings, cast votes ahead of the voting deadline for each meeting, reconcile holdings with ballots received, and identify any uninstructed ballots.