

NEU Pension Scheme

LGIM⁽¹⁾ Engagement / Stewardship

Introduction

Investment managers have a right to vote whenever they invest in equities (stocks and shares). The NEU Pension Scheme gains exposure to equities mainly through ESG⁽²⁾ tilted global equity funds managed by LGIM⁽³⁾, and therefore LGIM carry out the voting rights on behalf of the Scheme. Not only do LGIM vote on their equity holdings, but they also engage with companies to ensure that management are accountable for their decisions, creating sustainable value and promoting market resilience. The Trustees', and their investment advisors, rate LGIM highly for their stewardship and engagement and monitor how LGIM vote on a regular basis.

LGIM case studies

LGIM publish their quarterly engagement reports on this website:

[Investment stewardship & governance | LGIM Institutional](#)

They include case studies where they believe they have had a direct impact on the direction of a company. This website also has a vast amount of other information, including all of their policies and guides.

⁽¹⁾ Legal and General Investment Management

⁽²⁾ Environmental, Social and Governance

⁽³⁾ These funds exclude companies from certain areas (such as coal mining, controversial weapons and violators of the UN Global Compact). The funds then score companies on ESG risks and either increase the allocation (when compared to the company's allocation of the market) if the company scores well, or vice versa if the company scores poorly.