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Investing for a
world of change

Mineworkers' Pension Scheme

Q1 2024 Engagement & Voting Report

Introduction

Ninety One focuses on delivering sustainability with substance. This means sustainability initiatives and actions are evidence based and aim to produce real-world change or impact.

Ninety One is committed to net zero by 2050 or sooner and is a signatory to the Net Zero Asset Managers initiative. We have set interim targets for 2030 committing to 50% of financed emissions coming from companies or investments that have science-based pathways by 2030.

The Global Environment strategy engages with all portfolio companies several times a year, with specific engagement goals outlined for each company in the [Annual Impact Report](#). The Impact Report also details progress on engagements from the prior year.

Many of the engagement topics are long-term in nature and thus there will be a repetition of topics discussed over subsequent quarters. There will also be quarters where there hasn't been a significant update from the previous quarter.

Significant engagement activity

The below outlines significant engagement activities with two of the portfolio companies over the quarter:

TE Connectivity

TE Connectivity is the world leader in connectivity and sensor solutions across a broad range of applications. It is positively exposed to structural growth as its solutions enable sustainable decarbonisation across various industries and end-uses. As an electronic components manufacturer, the company helps its customers produce smaller, lighter and more energy-efficient products. In transport, for example, the electrification of vehicles creates a need for more robust terminal and connector products, doubling the content opportunity for TE Connectivity relative to internal combustion engine vehicles. The company offers the broadest range of technologies in this space. Furthermore, its custom-engineered connectivity solutions are used to drive industrial automation as well as cooler and greener datacentres.

As part of our annual review, we set engagement goals for all companies held within the Global Environment strategy. Our engagement goals for TE Connectivity were as follows:

- Reporting company-wide carbon avoided.
- Adopting science-based targets.
- Disclosing detailed labour-management and supply-chain practices.
- Improving board gender diversity.
- Board refreshment.

As part of our continuous approach to engagement, during Q1 2024, we completed a collaborative engagement (via letter), with another impact investor, to seek further enhancement in quality of scope 3 disclosures by including downstream scope 3 emissions and to seek clarity on company's strategic endeavours towards setting a definitive long term commitment towards an SBTi approved net-zero by 2050 target. We did recognize TE's efforts in setting near term carbon reduction targets but believe enhanced scope 3 disclosure coupled with clear articulation of steps that will enable TE to adopt SBTi approved longer term net zero by 2050 target will be critical in effectively managing climate risk. We completed a collaborative engagement as a point of escalation to the Chairman of the board.

On the back of our engagement, we received a comprehensive letter from TE Connectivity's Vice President of Global Government Affairs and Corporate Responsibility, detailing the challenges TE face in setting a long-term net zero emissions target. 95% of TE's emissions come from Scope 3, with an extensive supply chain, that extends to the lengths of 10,000 different suppliers, causing a difficult environment to receive accurate and complete data to develop a credible and actionable reduction plan.

Despite these barriers, we were pleased to learn that TE are looking to take credible steps to implement training programmes with their suppliers to improve the accuracy and completeness of data. In particular, TE have developed a team to partner with their metal's providers, calculating their respective carbon footprint, and educating the supplier on

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how to reduce their GHG emissions through operating standards and investments in their infrastructure. TE are also working to roll out an annual survey for suppliers to fill in; renewable electricity and GHG accounting advice; and resin waste reduction in their own operations to reduce the amount of materials they procure.

Ninety One's approach to engagement is ongoing and we are continuously looking for ways to engage with companies on issues that are important to us. We will continue to engage with TE Connectivity management to help them move towards an SBTi approved net zero by 2050 target.

Aptiv

Aptiv, is a global technology company that serves the mobility industry. A net-zero aligned future for mobility is likely to include electric, autonomous vehicles powered by zero-emissions energy. We believe Aptiv is a leader enabling the transition to an electrified, software-defined vehicle of the future. A rapid shift from internal combustion engines to electric vehicles (EVs) is already underway, and EV sales data continues to be strong.

As part of our annual review, we set engagement goals for all companies held within the Global Environment strategy. Our engagement goals for Aptiv were as follows:

- Scope 3 emissions disclosure
- Carbon avoided disclosure
- Unadjusted gender pay gap disclosure
- Board gender diversity
- Science-Based Target initiative commitment

As part of our continuous approach to engagement, during Q1 2024, we engaged with Aptiv to monitor their Science-Based Target (SBT) progression and drive further improvement on diversity and inclusion.

SBT progression

Aptiv have set near-term targets for Scope 1, 2 and 3 emissions approved by SBTi, aiming to fully replace all Scope 1 and 2 emissions with renewable energy sources, reduce their Scope 3 emissions by 47.4% by 2030, use carbon neutral products from sourcing to disposal by 2039, and be completely carbon neutral by 2040. We're comfortable that Aptiv do not have a long-term SBTi approved net zero target because SBTi have not currently released criteria for the auto industry. Once the auto industry criteria has been set, we're confident Aptiv's commitments will be sufficient for approval.

Diversity and inclusion

As part of our annual goal setting, we set specific targets for Aptiv to meet -

- To improve gender pay gap
- Increase the number of females within management and technical roles
- Increase the racial diversity within management and technical roles

We have seen improvements in the gender pay gap, which is now at parity, with gender and racial diversity in management and technical roles improving but with more to be done. Aptiv's strategy to improve these numbers is focussed on the development of a strong leadership program and seeking to increase internal hiring with homegrown talent.

We will continue to monitor and track diversity and inclusion numbers and engage further if we deem necessary.

Summary engagement activity for the portfolio

The below provides a summary of the companies and topic area the investment team have engaged on during the quarter:

Company	Topics
Aptiv	Climate change, Diversity & inclusion
Autodesk	Climate change, Board independence
Carlisle	Climate change, Cultural work practices
Iberdrola	Cultural work practices, Biodiversity
Novonesis	Cultural work practices
Orsted	Corporate strategy
Power Grid of India	Board diversity
TE Connectivity	Climate change
Trane Technologies	Biodiversity, Climate change, Cultural work practices
Voltronic	Climate change
Xinyi Solar Holdings Ltd	Corporate strategy

Source: Ninety One, data covering reporting period. All engagements are supported by appropriate analysts, portfolio managers and the Engagement and Voting team.

Proxy voting activity for the portfolio

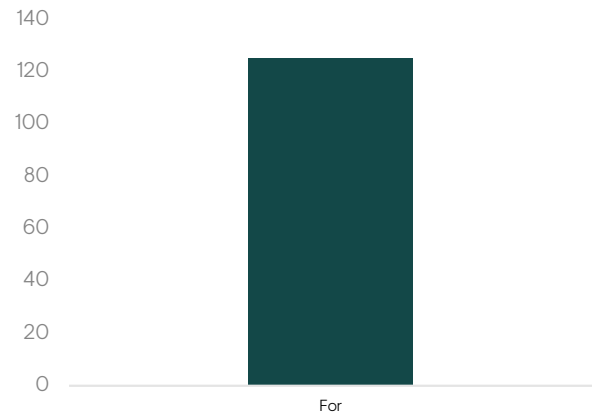
Ninety One votes at shareholder meetings throughout the world as a matter of principle. We believe that once we become investors, that is to say part-owners of a company, we assume a duty of stewardship and therefore take responsibility to support or sanction as required.

Below are the highlights of our voting activity.

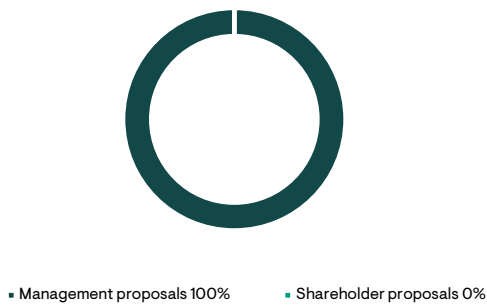
Votes Cast (%) meetings



Number of Votes Cast



Votes resolutions by type (%)



Vote categories – against, abstain and withhold votes (%)



Source: Ninety One, ISS ProxyExchange, data covering reporting period.

