



**12 February 2026**

**Agenda Item: 6**

**REPORT OF SERVICE DIRECTOR – FINANCE, INFRASTRUCTURE &  
IMPROVEMENT**

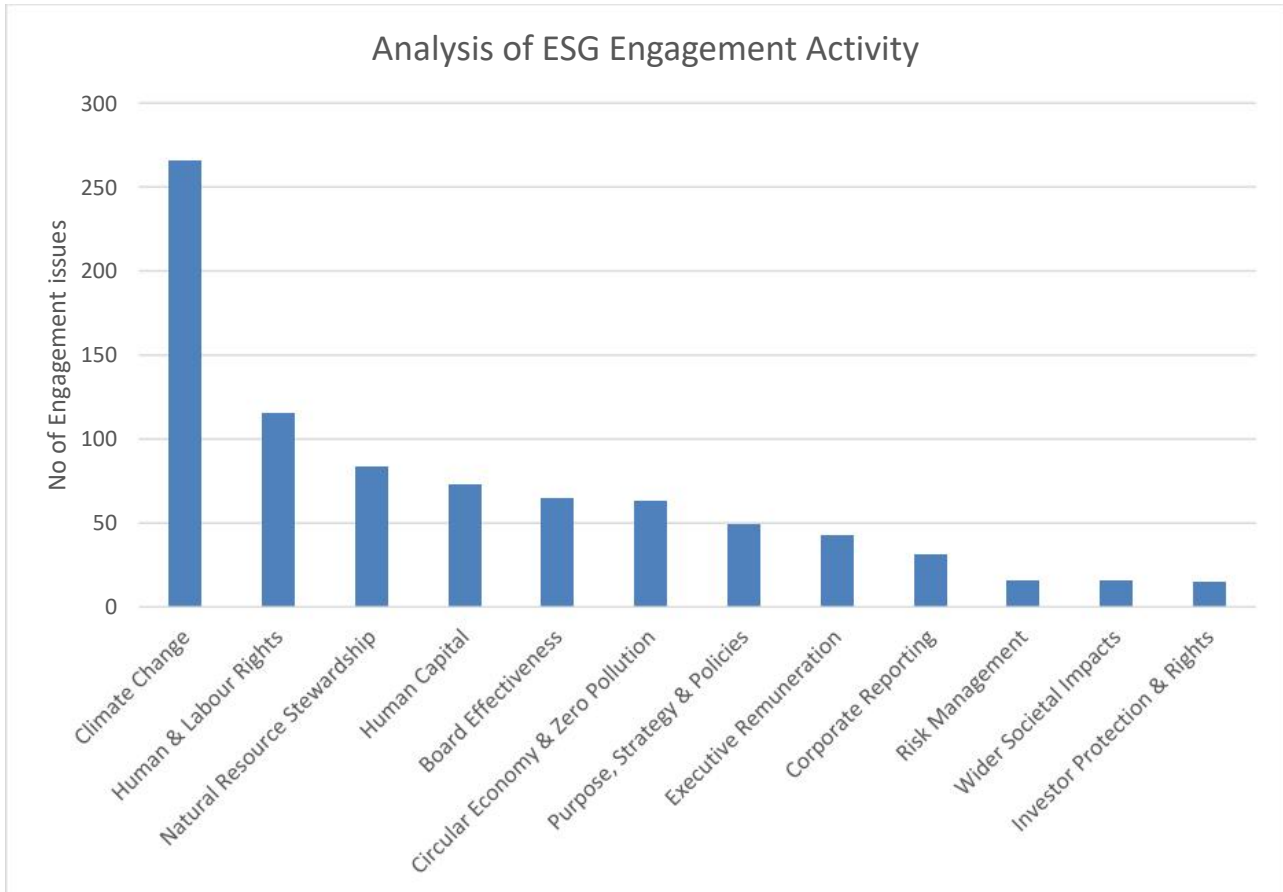
**PROXY VOTING**

**Purpose of the Report**

1. The Fund is committed to supporting best practice in corporate governance and has adopted the *UK Stewardship Code* as recommended by the CIPFA *Principles for investment decision making and disclosure*. This report is to inform members of the voting of equity holdings in 2025 Q3 as part of this ongoing commitment.

**Information**

2. The *UK Stewardship Code*, issued in September 2012 by the Financial Reporting Council, and revised in 2020, highlights the responsibilities of institutional investors such as the Nottinghamshire Pension Fund. It defines stewardship as ‘the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society’. Stewardship includes, among other things, having a clear policy on voting and on the disclosure of voting activity.
3. Alongside this the CIPFA *Principles for investment decision making and disclosure* require administering authorities to include a statement of their policy on responsible investment in the Investment Strategy Statement and report periodically on the discharge of such responsibilities. The Fund’s statement on responsible investment states that ‘the Fund continues to exercise its ownership rights by adopting a policy of actively voting stock it holds’.
4. The Fund retains responsibility for voting any directly held shares (rather than delegating this to investment managers). Since 2020 voting has been undertaken by Hermes EOS in line with the voting principles of LGPS Central.
5. Over the 3 months to September 2025 Hermes EOS voted Nottinghamshire Pension Fund shares at 153 meetings (a total of 1,504 resolutions). Hermes opposed one or more resolutions at 68 meetings and voted with management by exception at 5 meetings. Hermes supported management on all resolutions at the remaining 80 meetings.
6. Over the same period Hermes EOS engaged with 277 companies held in the Nottinghamshire Pension Fund portfolio on a range of 836 environmental, social and governance issues and objectives. An analysis of this activity is shown below:



7. An overview of the Hermes EOS voting activity and detailed analysis of the key issues during the quarter is published on the Fund website (<http://www.nottspf.org.uk/about-the-fund/investments>) and with the meeting papers on the Council Diary (<http://www.nottinghamshire.gov.uk/dms/Meetings.aspx>).
8. Further detail on specific issues raised at company AGMs can be found in LGPS Central's quarterly *Stewardship Update*. The most recent *Update* (Jul-Sep 2025) highlighted, among other things, a move taken to rescind the US Securities and Exchange Commission's approval of a retail voting program that would automatically opt retail shareholders into casting their votes in favour of management for all future meetings, unless shareholders actively opt out. A link to the *Update* can be found on the Nottinghamshire Pension Fund 'Approach to Responsible Investment' webpage, under 'News and Engagement': <https://www.nottspf.org.uk/about-the-fund/responsible-investment/>

## Statutory and Policy Implications

9. This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **RECOMMENDATION**

10. That Nottinghamshire Pension Fund Committee notes the contents of the report.

**Report Author:**  
**Ciaran Guilfoyle**  
**Investments Officer**

**For any enquiries about this report please contact Ciaran Guilfoyle**

### **Constitutional Comments (KK 20/01/2026)**

11. The proposal in this report is within the remit of the Nottinghamshire Pension Fund Committee.

### **Financial Comments (TMR 21/01/2026)**

12. There are no financial implications arising directly from this report.

### **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- [Hermes EOS – Nottinghamshire Pension Fund, Voting Report, Q3 2025](#)
- [LGPS Central – Voting Principles \(March 2019\)](#)
- [Financial Reporting Council, \*The UK Stewardship Code\*, January 2020](#)