Implementation Statement, covering the Plan Year from 1 January 2021 to 31 December 2021

The Trustee of the Citibank (UK) Pension Plan (the “Plan”) is required to produce a yearly statement (the “Statement”) to set out how, and the extent to which, the Trustee has followed its Statement of Investment Principles (“SIP”) during the Plan Year, as well as details of any review of the SIP during the Plan Year, subsequent changes made with the reasons for the changes, and the date of the last SIP review. Information is provided on the last review of the SIP in Section 1 and on the implementation of the SIP in Sections 2 below.

The Statement is also required to include a description of the voting behaviour during the Plan Year by, and on behalf of, the Trustee (including the most significant votes cast by trustees or on their behalf) and state any use of the services of a proxy voter during the Plan Year. This is provided in Section 3 below.

This Statement is based on the relevant Defined Contribution (“DC”) SIPs that were in place for the Plan during the Plan Year and should be read in conjunction with these SIPs. As the Citibank Plan is a hybrid scheme and this statement only refers to the actions the Trustee has taken regarding the relevant DC SIPs, this document should also be read in conjunction with the DB Implementation Statement for the Plan Year and relevant DB SIPs in place during that period.

The SIPs in place during the Plan Year were:

- SIP dated 21 October 2020 for period between 1 January 2021 and 15 June 2021; and
- SIP dated 16 June 2021 for period between 16 June 2021 and 31 December 2021.

The SIPs dated 21 October 2020 and 16 June 2021 are available here:
https://epa.towerswatson.com/accounts/citi/public/ifa-resource/.

1. Last review of the SIP and changes made

The SIP was reviewed and updated during the Plan Year on 16 June 2021 with minor updates made to:

- more clearly reflect the hedging position of the non-UK elements of the Plan’s Core Fund; and
- remove outdated wording relating to the long-term financial assumption for equities used by the Trustee in determining the investment arrangements.

As part of these SIP updates during the Plan Year the employer was consulted and confirmed it was comfortable with the changes.

The Trustee has, in its opinion, followed the policies in the Plan’s SIP during the Plan Year. The following Sections provide detail and commentary about how and the extent to which it has done so.

2. Implementation of policies in the SIP

a. Reviewing the investment arrangements

The Trustee’s primary objectives for the Plan are to provide members with access to:

- an appropriate range of investment options, reflecting the membership profile of the Plan and the variety of ways that members can draw their benefits in retirement; and
- a main default investment option (the “Default”) that the Trustee believes to be reasonable for those members that do not make their own investment decisions.

The objective of the Default is to:

- generate returns significantly above inflation whilst members are some distance from retirement, but then to switch automatically and gradually into lower risk investments to improve diversification and reduce volatility as members near retirement, maintaining the potential for a modest level of growth in excess of inflation.

The performance and strategy of the default arrangements and other investment options (two alternative lifestyle strategies and a self-select fund range) is reviewed at least every three years. The last review commenced on 16 November 2021. So far the Trustee has reviewed the Plan’s membership demographics to determine whether the target of the Default remained suitable and it was concluded that a lifestyle strategy targeting drawdown at retirement remained appropriate for the majority of the Plan's members. In addition, the Trustee has considered and agreed the key areas of focus for the review of the components of the Default, alternative lifestyle strategies and self-select fund range. This review has continued into 2022.

During the Plan Year, further consideration was also given to integration of RI into the self-select fund range. This resulted in a new fund being introduced, the Environmental Fund, which considers climate-related factors. The Ethical Fund – Active was also renamed to the Responsible Investment Fund. Further detail is provided in the next section.

During the Plan Year, the Plan's default arrangements met charge cap restrictions where relevant. The Trustee monitored the take up of the self-select fund range on a quarterly basis, which has been high in comparison to the market.

Finally, the SIP states the "Trustee will also review periodically the relevant members' use of their options at retirement or on taking benefits from the Plan to check whether assumptions made about how members access their benefits are borne out in practice." The Trustee is monitoring this on an ongoing basis. Over the Plan Year, the Trustee carried out a post-retirement review. As part of this, the Trustee reviewed how members have been taking their benefits and found that the most utilised option by members transferring out of the Citi pension schemes at retirement was the current post-retirement master trust solution that the Trustee signposts for members.

b. Manager selection, review and monitoring

The Trustee appointed one new investment manager (Invesco, to replace Nomura as the underlying manager of the Japan Equity Fund – Active offered on a self-select basis) over the Plan Year and invested in one new fund with a manager (LGIM, as the underlying manager of the new Environmental Fund introduced over the Plan Year) that had a pre-existing relationship with the Plan. Before appointing the managers, the Trustee received information on the investment process, investment philosophy, the investment team, the manager's approach to responsible investment and stewardship, as well as past performance.

The Plan's investment adviser, LCP, monitors the investment managers on an ongoing basis, through regular research meetings. The investment adviser monitors any developments at managers and informs the Trustee promptly about any significant updates or events they become aware of with regard to the Plan's investment managers that may affect the managers' ability to achieve their investment objectives. This includes any significant changes to the investment process or key staff for any of the funds the Plan invests in, or any material change in the level of diversification in the fund. As part of investment manager meetings, the Plan's investment adviser monitors the extent to which managers are acting in accordance with the Trustee's investment philosophy, including the degree to which managers are integrating the Trustee's views on responsible investment (see section d below for more information).

The Trustee evaluates investment manager performance by considering performance over both shorter and longer-term periods. The Trustee does this by monitoring the performance of the Plan's investment managers on a quarterly basis through a quarterly performance monitoring report provided by the Plan's investment adviser. The report shows the performance of each manager over the quarter, 1 year and 3 years. Performance is considered in the context of the manager's benchmark and objectives.

During the Plan Year, the Trustee reviewed the underlying manager of the Japan Equity Fund – Active, following a period of sustained underperformance which was reported as part of the quarterly performance monitoring process. The Trustee agreed that a full review of the Fund was necessary with a view to identifying whether there was a more suitable fund to replace Nomura over the long-term. The Trustee concluded its review in June 2021 and decided to replace the underlying manager. As a result, and on the advice of its investment adviser, the Trustee's removed the Nomura Japan Strategic Value Fund and replaced it with the Invesco Japanese Equity Advantage Fund. When evaluating the Invesco Japanese Equity Advantage Fund, the Trustee's investment adviser incorporated considerations such as portfolio turnover into the advice provided to the Trustee, as is expected from the Trustee when receiving advice on the Plan's investment mandates. The change occurred on 21 December 2021.

As noted in Section 2a, RI integration was considered by the Trustee during the Plan Year. As a result, and on the advice of its investment adviser, the Trustee agreed to add a climate-tilted equity fund, the LGIM Low Carbon Transition Fund, to the self-select fund range as the underlying fund of a new white-labelled fund (the Environmental Fund) available to members. As part of the manager selection process, the Trustee reviewed details such as LGIM's Low Carbon Transition Fund climate metrics, tilting processes and Climate Impact Pledge. The addition of the Fund to the self-select fund range was finalised in December 2021. In addition, the Trustee has reviewed the underlying fund of the Responsible Investment Fund (previously named the Ethical Fund - Active), which is the BMO Responsible Global Equity Fund and concluded that the BMO fund remained suitable. However, in light of the fund considering both ESG and ethical factors, and given the introduction of the Environmental Fund in addition, the Trustee agreed that the white-labelled fund name and objective could be amended to make this clearer to members. As such, the white-labelled fund name was changed from the Ethical Fund – Active to the Responsible Investment Fund. Any reference to “ethical” in the white-labelled fund objective was also replaced with “responsible investment”. In addition, a description of the underlying fund was also added to the factsheet.

Other than the ones detailed above, the Trustee was comfortable with all of its investment manager arrangements over the Plan Year.

During the Plan Year, the Trustee also undertook a value for members assessment which assessed a range of factors, including the fees payable to managers in respect of the DC Section, which were found to be very low when compared against other DC schemes. As part of the value for members assessment the Trustee also evaluated the long-term transaction costs incurred by members to ensure that they are appropriate and enable it to query any transaction costs considered to be higher than expected with the relevant investment managers. Portfolio turnover across all of the Plan’s investment managers is also reported on a quarterly basis through a quarterly performance monitoring report.

c. Realisation of investments

It is the Trustee's policy to invest in funds that offer daily dealing to enable members to readily realise and change their investments. All of the funds which the Trustee offered during the Plan Year were daily priced.

d. Financially material considerations and non-financial matters

As part of its advice on the selection and ongoing review of the investment managers, the Plan’s investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers’ approaches to financially material considerations (including climate change and other ESG considerations), voting and engagement.

This was demonstrated during the Plan Year as the Trustee added a climate-tilted equity fund, the LGIM Low Carbon Transition Fund, to the self-select fund range as a new white-labelled fund (Environmental Fund) available to members, after obtaining formal written advice from its investment adviser, LCP. Further detail on this is set-out above under section 2b.

The Trustee reviews LCP’s responsible investment (RI) scores for the Plan’s existing managers and funds (including those used in the Plan’s Default) on a quarterly basis as part of the performance monitoring report. These scores cover the manager's approach to ESG factors, voting and engagement. Commentary is provided for any funds with lower RI scores so that the Trustee can monitor any steps being taken by manager to improve these scores over time. In addition, an explanation is provided for any fund RI scores that change over the quarter. Over the Plan Year one fund’s RI score improved and all other funds RI ratings remained the same. The fund scores and assessments are based on LCP’s ongoing manager research programme, and it is these that directly affect LCP’s manager and fund recommendations.

As part of all investment strategy changes, including those detailed above, the Trustee’s investment adviser reviews the RI credentials of any fund recommendations that are made to the Trustee. Fund RI credentials also feed into the ongoing monitoring of the suitability of funds used by the Plan.

The Trustee has not taken into account any non-financial matters (ie matters relating to the ethical and other views of members and beneficiaries, rather than considerations of financial risk and return) in the selection, retention and realisation of investments during the Plan Year. The Trustee recognises that some members may wish for ethical matters to be taken into account in their investments and therefore it has made available the Responsible Investment Fund (previously called the Ethical Fund – see details above), which takes into account both ethical and ESG factors, as an investment option available to members. The Responsible Investment Fund invests in the BMO Responsible Global Equity Fund.

The Trustee did not review its investment beliefs in the Plan Year but attended an ESG training session with both its legal and investment adviser in Q1 2021 in which the Trustee’s beliefs were discussed.

e. Stewardship

The Trustee has, in its opinion, followed the Plan’s voting and engagement policies during the Plan Year, by continuing to delegate to their investment managers the exercise of rights and engagement activities in relation to investments, as well as seeking to appoint managers that have strong stewardship policies and processes. The

Trustee took a number of steps to review the Plan's existing managers and funds over the period, as described above.

The UK Stewardship Code is a voluntary code for asset managers, asset owners, and service providers (such as proxy advisers, investment consultants, and data providers). Its stated aim is to encourage active and engaged monitoring of corporate governance in the interests of beneficiaries.

Partners Group, Credit Suisse and JP Morgan are the Plan's only investment managers not to have signed up to the UK Stewardship Code.

JP Morgan confirmed that it is not a signatory at present but is committed to becoming signatories to the UK Stewardship Code, to which it has previously been a long-time signatory for earlier editions of the Code. JP Morgan has also commented that it has every intention of becoming a signatory to the comprehensively reviewed 2020 UK Stewardship Code and submitted its application ahead of the April 2022 deadline, which covers the 2021 reporting year. JP Morgan has confirmed that the firm is evolving and improving its approach to investment stewardship over the coming months to align with higher expectations.

Partners Group confirmed that it is not a signatory to the UK Stewardship Code, given that the Code only applies to UK funds and mainly covers listed investments (of which Partners Group only has one fund registered in the UK and the percentage exposure of listed investments in the fund is usually below 15% as the fund has a clear focus on private market assets).

Credit Suisse confirmed that it is not a signatory to the UK Stewardship Code as its local UK entity (Credit Suisse Asset Management Limited) does not have UK listed company exposure. However, Credit Suisse confirmed that it is continuously evaluating its sustainable investment procedures.

f. Performance assessment (paragraph 8 of Appendix 1 of SIP)

The Trustee assesses the performance of the Plan's investments on an ongoing basis as part of the quarterly monitoring reports it receives.

The performance of the professional advisers is considered on an ongoing basis by the Trustee. The Trustee reviewed the Plan's auditor, platform provider and post retirement vehicle provider during the Plan Year. The Trustee decided to retain the services of the current providers in all instances. A review of the legal adviser is due to take place in 2022.

The Trustee carries out periodic assessments of the effectiveness of its decision making and governance processes.

g. Policy towards risk (Appendix 2 of SIP)

Risks are monitored on an ongoing basis with the help of the investment adviser. The Trustee maintains a risk register in relation to its DC investment committee, and this is discussed at quarterly meetings.

The Trustee's approach to identifiable risks, given their nature, is to understand them and to address them if it becomes necessary, based upon the advice of the Plan's investment adviser or information provided to the Trustee by the Plan's investment managers. These include credit risk, equity risk, currency risk, and counterparty risk.

With regard to the risk of inadequate returns, the Trustee makes use of equity and equity-based funds, which are expected to provide positive returns above inflation over the long-term. These funds are used in the growth phase of the default option and are also made available within the self-select options. These funds are expected to produce adequate real returns over the long-term.

The Trustee monitors risks inherent in the investment strategy on a quarterly basis as part of quarterly performance reporting.

3. Description of voting behaviour during the Plan Year

All of the Trustee's holdings in listed equities are within pooled funds and the Trustee has delegated to its investment managers the exercise of voting rights. Therefore, the Trustee is not able to direct how votes are exercised and the Trustee itself has not used proxy voting services over the Plan Year.

In this section the Trustee has sought to include voting data in line with the Pensions and Lifetime Savings Association (PLSA) guidance, on the Plan's funds that hold equities as follows:

- LGIM UK Equity Index Fund
- LGIM North American Equity Index Fund
- LGIM Europe (ex-UK) Equity Index Fund
- LGIM Japan Equity Index Fund
- LGIM Asia Pacific (ex-Japan) Developed Equity Index Fund
- LGIM Diversified Fund
- LGIM Low Carbon Transition Fund
- JP Morgan Emerging Markets Fund
- BlackRock Aquila Life Market Advantage Fund ("ALMA")
- Partners Group Generation Fund
- BMO Responsible Global Equity Fund

The Trustee has only included those funds that are components of funds considered a 'default' for governance purposes, plus the Plan's self-select RI funds, in line with PLSA guidance. Given that the majority of members are invested in a default arrangement, the Trustee believes this approach to be appropriate.

Description of the voting processes

LGIM

LGIM's voting and engagement activities are driven by ESG professionals and its assessment of the requirements in these areas seeks to achieve the best outcome for all their clients. LGIM's voting policies are reviewed annually and take into account feedback from its clients.

Every year, LGIM holds a stakeholder roundtable event where clients and other stakeholders (civil society, academia, the private sector and fellow investors) are invited to express their views directly to the members of the Investment Stewardship team. LGIM also takes into account client feedback received at regular meetings and/ or ad-hoc comments or enquiries.

All decisions are made by LGIM's Investment Stewardship team and in accordance with its relevant Corporate Governance & Responsible Investment and Conflicts of Interest policy documents which are reviewed annually. Each member of the team is allocated a specific sector globally so that the voting is undertaken by the same individuals who engage with the relevant company. This ensures LGIM's stewardship approach flows smoothly throughout the engagement and voting process and that engagement is fully integrated into the vote decision process, therefore sending consistent messaging to companies.

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 it does not outsource any part of the strategic decisions. Its use of ISS recommendations is purely to augment its own research and proprietary ESG assessment tools. The Investment Stewardship team also uses the research reports of Institutional Voting Information Services ("IVIS") to supplement the research reports that it receives from ISS for UK companies when making specific voting decisions.

To ensure LGIM's proxy provider votes in accordance with LGIM's position on ESG, it has put in place a custom voting policy with specific voting instructions. LGIM retains the ability in all markets to override any vote decisions, which are based on its custom voting policy. LGIM has strict monitoring controls to ensure its votes are fully and effectively executed in accordance with its voting policies by its service provider. This includes a regular manual check of the votes input into the platform, and an electronic alert service to inform them of rejected votes which require further action.

As regulation on vote reporting has recently evolved with the introduction of the concept of 'significant vote' by the EU Shareholder Rights Directive II, LGIM wants to ensure it continues to help its clients in fulfilling their reporting obligations. LGIM also believes public transparency of its voting activity is critical for its clients and interested parties to hold them to account.

In determining significant votes, LGIM's Investment Stewardship team takes into account the criteria provided by the Pensions & Lifetime Savings Association (PLSA) guidance. This includes but is not limited to:

- High profile vote which has such a degree of controversy that there is high client and/ or public scrutiny;
- Significant client interest for a vote: directly communicated by clients to the Investment Stewardship team at LGIM's annual Stakeholder roundtable event, or where they note a significant increase in requests from clients on a particular vote;
- Sanction vote as a result of a direct or collaborative engagement;
- Vote linked to an LGIM engagement campaign, in line with LGIM Investment Stewardship's 5-year ESG priority engagement themes.

It is vital that the proxy voting service are regularly monitored and LGIM does this through quarterly due diligence meetings with ISS. Representatives from a range of departments attend these meetings, including the client relationship manager, research manager and custom voting manager. The meetings have a standing agenda, which includes setting out LGIM's expectations, an analysis of any issues we have experienced when voting during the previous quarter, the quality of the ISS research delivered, general service level, personnel changes, the management of any potential conflicts of interest and a review of the effectiveness of the monitoring process and voting statistics. The meetings will also review any action points arising from the previous quarterly meeting.

LGIM has its own internal Risk Management System (RMS) to provide effective oversight of key processes. This includes LGIM's voting activities and related client reporting. If an item is not confirmed as completed on RMS, the issue is escalated to line managers and senior directors within the organisation. On a weekly basis, senior members of the Investment Stewardship team confirm on LGIM's internal RMS that votes have been cast correctly on the voting platform and record any issues experienced. This is then reviewed by the Director of Investment Stewardship who confirms the votes have been cast correctly on a monthly basis. Annually, as part of LGIM's formal RMS processes the Director of Investment Stewardship confirms that a formal review of LGIM's proxy provider has been conducted and that they have the capacity and competency to analyse proxy issues and make impartial recommendations.

LGIM provides information on significant votes in the format of detailed case studies in their quarterly ESG impact report and annual active ownership publications. The vote information is updated on a daily basis and with a lag of one day after a shareholder meeting is held. It also provides the rationale for all votes cast against management, including votes of support to shareholder resolutions.

BlackRock

Voting decisions are made by members of the BlackRock Investment Stewardship team with input from investment colleagues as required, in each case, in accordance with BlackRock's Global Principles and custom market-specific voting guidelines.

The team and its voting and engagement work continuously evolves in response to changing governance related developments and expectations. BlackRock's voting guidelines are market-specific to ensure it takes into account a company's unique circumstances by market, where relevant.

BlackRock's engagement priorities are global in nature and are informed by BlackRock's observations of governance related and market developments, as well as through dialogue with multiple stakeholders, including clients. It may also update its regional engagement priorities based on issues that they believe could impact the long-term sustainable financial performance of companies in those markets.

As outlined in their Global Principles, BlackRock determines which companies to engage directly based on its assessment of the materiality of the issue for sustainable long-term financial returns and the likelihood of its engagement being productive. BlackRock's voting guidelines are intended to help clients and companies understand their thinking on key governance matters. They are the benchmark against which it assesses a company's approach to corporate governance and the items on the agenda to be voted on at the shareholder meeting. BlackRock applies its guidelines pragmatically, taking into account a company's unique circumstances where relevant. It informs its vote decisions through research and engage as necessary. If a client wants to implement their own voting policy, they will need to be in a segregated account. BlackRock's Investment Stewardship team would not implement the policy themselves, but the client would engage a third-party voting execution platform to cast the votes.

BlackRock's proxy voting process is led by the BlackRock Investment Stewardship team, with input from the wider investment team as required, in accordance with BlackRock's Global Corporate Governance and Engagement Principles and custom market-specific voting guidelines.

While BlackRock subscribe to research from the proxy advisory firms Institutional Shareholder Services ("ISS") and Glass Lewis & Co ("Glass Lewis"), this is just one among many inputs into BlackRock's vote analysis process. BlackRock primarily uses proxy research firms to synthesise corporate governance information and analysis into a concise, easily reviewable format so that BlackRock Investment Stewardship analysts can readily identify and prioritise those companies where its own additional research and engagement would be beneficial. Other sources of information BlackRock uses include the company's own reporting (such as the proxy statement and the website), its engagement and voting history with the company, the views of its active investors, public information and ESG research.

Where BlackRock believes it will help to understand the voting decisions at shareholder meetings, BlackRock will publish a Voting Bulletin explaining the rationale for how it or, in this case, the independent fiduciary, has voted on select resolutions, and (where relevant) provide information around its engagement with the issuer. These bulletins are intended to explain their vote decision, including the analysis underpinning it and relevant engagement history when applicable, where the issues involved are likely to be high-profile and therefore of interest to their clients and other stakeholders, and potentially represent a material risk to the investments they undertake on behalf of clients. BlackRock makes this information public shortly after the shareholder meeting, so clients and others can be aware of its vote determination when it is most relevant to them.

Partners Group

Voting decisions are made in line with Partners Group's Proxy Voting Directive which sets out Partners Group's principles and general approach to proxy voting considerations that frequently arise for its Liquid Private Markets Investments. These principles are applied with discretion, taking into account the range of considerations, local corporate governance practises, and applicable regulations specific to a particular company and the individual ballot item.

Partners Group uses global proxy voting service provider, Glass Lewis, who have been instructed to vote in line with Partners Group's Proxy Voting Directive. Wherever the recommendations for Glass Lewis, the proxy voting directive, and the company's management differ, Partners Group vote manually on those proposals.

Partners Group does not consult with clients before voting.

JP Morgan

JP Morgan votes in line with its voting policy as it is given voting rights (in their role as mangers) by its clients.

JP Morgan uses a third party corporate governance data provider, ISS ProxyExchange, to receive meeting notifications, provide company research, process its votes and obtain voting recommendations. The recommendations provided by ISS ProxyExchange form only the starting point for JP Morgan's proprietary thinking, and all of its voting decisions are made on a case by case basis by in-house specialists in conjunction with the Analyst and/or Fund Manager in reference to the JP Morgan Asset Management Corporate Governance Policy and Voting Guidelines.

BMO

BMO Global Asset Management's ("BMO GAM") expectations of corporate governance standards at investee companies are embodied in its Global Corporate Governance Guidelines. These guidelines are translated into detailed proxy voting policies, including 25 market/regional variations that take into consideration local legal and regulatory environments as well as local codes of best practice.

BMO GAM partner with ISS for routine votes, who implement BMO GAM's in-house and bespoke regional policies (using BMO GAM's detailed voting rules). ISS supplies BMO GAM with custom research based on BMO GAM's own in-house corporate governance guidelines (which are updated annually based on country-specific best practice standards) and with an electronic voting platform for proxy execution. BMO GAM also subscribes to research on FTSE All-Share companies provided by the Investment Association's Institutional Voting Information Service (IVIS).

BMO GAM's specialist governance team has an average industry experience of 13 years. Workflow is structured on a regional rather than sectoral basis, reflecting how governance standards are routed in local company law and best practice codes. BMO GAM deploys its specialist governance team on the most complex and sensitive cases, and partner with ISS to deliver voting on the more simple, routine votes through the careful and consistent application of detailed in-house voting policies.

In certain cases, vote decisions are arrived at through consultation with the internal investment teams. In addition, controversial high-profile meetings can be escalated to the Proxy Working Group, which contains representatives from each part of BMO GAM.

For regional or local high-profile issues, BMO GAM pro-actively advises its clients on its intention to vote well in advance of the meeting. BMO GAM's clients then have the option to state their preference and vote differently. Clients receive detailed vote reports including vote comments. In addition, full vote reports are online, including reasons for BMO GAM's decisions.

BMO GAM can accommodate clients invested through segregated mandates who want to vote, by exception, on particular resolutions in a manner different to BMO GAM's approach. This request would need to be triggered by the client. Clients who wish to monitor voting decisions outside the normal reporting cycle can receive a preview of voting intentions for an entire portfolio or a subset of holdings. Alternatively, clients can have access to the ISS platform on a read-only basis.

3.2 Summary of voting behaviour over the Plan Year

A summary of voting behaviour over the Plan Year is provided in the table below.

	Fund 1	Fund 2	Fund 3	Fund 4	Fund 5
Manager name	LGIM	LGIM	LGIM	LGIM	LGIM
Fund name	UK Equity Index Fund	North American Equity Index Fund	Europe (ex-UK) Equity Index Fund	Asia (ex-Japan) Equity Index Fund	Japan Equity Index Fund
Total size of fund at end of reporting period	£20,461m	£56,035m[1]	£17,523m[1]	£6,360m[1]	£9,015m[1]
Approximate value of Plan's assets at Plan Year end	£128.0m	£117.3m[2]	£113.0m[2]	£73.4m[2]	£37.4m[2]
Number of equity holdings at end of reporting period	572	642	488	406	513
Number of meetings eligible to vote	707	638	463	329	442
Number of resolutions eligible to vote	9,923	7,846	7,665	2,308	5,306
% of resolutions voted	100%	100%	100%	100%	100%
Of the resolutions on which voted, % voted with management	93%	71%	82%	73%	86%
Of the resolutions on which voted, % voted against management	7%	29%	18%	27%	14%
Of the resolutions on which voted, % abstained from voting	0%	0%	0%	0%	0%
Of the meetings in which the manager voted,	-[4]	-[4]	-[4]	-[4]	-[4]

% with at least one vote against management					
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	-[4]	-[4]	-[4]	-[4]	-[4]

	Fund 6	Fund 7	Fund 8	Fund 9	Fund 10	Fund 11
Manager name	LGIM	LGIM	JP Morgan	BlackRock	Partners Group	BMO
Fund name	LGIM Diversified Fund	Low Carbon Transition Fund	Emerging Markets Equity Fund	Aquila Life Market Advantage	Generations Fund[3]	Responsible Global Equity
Total size of fund at end of reporting period	£12,889m	£1,167m	£3,163m	£1,541m	£731m	£1,559m
Approximate value of Plan's assets at Plan year end	£28.7m	£0.1m	£22.2m	£56.9m	£13.3m	£5.1m
Number of equity holdings at end of reporting period	7,015	2,784	76	5,886	60	51
Number of meetings eligible to vote	7,721	3,047	110	5,362	68	51
Number of resolutions eligible to vote	78,917	31,032	991	53,331	931	676
% of resolutions voted	99%	100%	96%	99%	100%	98%
Of the resolutions on which voted, % voted with management	79%	80%	92%	91%	94%	83%
Of the resolutions on which voted, % voted against management	20%	19%	5%	8%	4%	17%
Of the resolutions on which voted, % abstained from voting	1%	1%	3%	1%	2%	0%
Of the meetings in which the manager voted, % with at least	-[4]	-[4]	24%	33%	31%	76%

one vote against management						
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	-[4]	-[4]	10%	0%	1%	16%

[1]Total size of the Fund at Plan Year end includes both the non-currency hedged and currency hedged Fund values.
[2]Approximate value at Plan Year end includes both the non-currency hedged and currency hedged Fund values.
[3]The Partners Group voting data relates only to the listed equity holdings and does not include the private equity holdings.
[4]L&G has confirmed that as a result of recent issues with the migration of data it will not report this information for the Plan Year.

3.3 Most significant votes over the Plan Year

Commentary on the most significant votes over the Plan Year is set out below. The Trustee has interpreted "most significant votes" to mean those that:

- might have a material impact on future company performance;
- the investment manager believes to represent a significant escalation in engagement;
- impact a material fund holding, although this would not be considered the only determinant of significance, rather it is an additional factor;
- have a high media profile or are seen as being controversial; and
- the Plan or the sponsoring company has a particular interest in.

We have aimed to provide votes that cover a range of environmental, social, and governance issues. Naturally, around the topic of engagement, a larger number of votes are focussed on governance issues in particular around elections and re-elections to company Boards.

LGIM UK Equity Index Fund

Frasers Group plc, September 2021. Vote: Against

Summary of resolution: Resolution to receive and adopt the report & accounts

Rationale: LGIM's corporate governance policy requires all UK-listed companies to meet the requirements of the Modern Slavery Act 2015. The Act requires companies to provide a statement setting out the steps they have taken to ensure that slavery and human trafficking is not taking place in their own operations or within their supply chain. In addition, the statement should be signed by the board of directors. LGIM will sanction any company that has failed to meet the requirements of the Act for two consecutive years. Not only does LGIM consider this to be serious governance failing, it views this as both a humanitarian crisis and a risk to a company's operating model. LGIM is part of a collaborative engagement group that is trying to ensure UK companies comply with this legislation.

This vote was deemed significant by LGIM because it relates to one of LGIM's engagement themes: Human Rights/Inequality.

Aston Martin Lagonda Global Holdings Plc, May 2021. Vote: Against

Summary of resolution: Re-elect Lawrence Stroll as Director.

Rationale: As part of its efforts to influence its investee companies on having greater gender balance, LGIM applies voting sanctions to those FTSE 350 companies that do not have a minimum of 30% women on the board.

LGIM also applies voting sanctions to the FTSE 100 companies that do not have 30% women on their executive committee. For smaller companies LGIM expects at least one woman at board level.

This vote was deemed significant by LGIM as it views gender diversity as a financially material issue for its clients, with implications for the assets it manages on their behalf.

LGIM North American Equity Index Fund

Intel Corporation, May 2021. Vote: For

Summary of resolution: Report on Global Median Gender/Racial Pay Gap.

Rationale: LGIM expects companies to disclose meaningful information on its gender pay gap and the initiatives it is applying to close any stated gap. LGIM views gender diversity as a financially material issue for their clients, with implications for the assets they manage on their behalf. For 10 years, LGIM has been using its position to engage with companies on this issue. As part of its efforts to influence its investee companies on having greater gender balance, it expects all companies in which it invests globally to have at least one female on their board. Please note LGIM has stronger requirements in the UK, North American, European and Japanese markets, in line with its engagement in these markets.

LGIM views gender diversity as a financially material issue for its clients, with implications for the assets it manages on their behalf.

McDonald's Corporation, May 2021. Vote: For

Summary of resolution: Report on antibiotics and public health costs.

Rationale: LGIM voted in favour as they believe the proposed study will contribute to informing shareholders and other stakeholders of the negative externalities created by the sustained use of antibiotics in the company's supply chain and its impact on global health, with a particular focus on the systemic implications. Antimicrobial resistance (AMR) is a key focus of the engagement strategy of LGIM's Investment Stewardship team. They believe that, without coordinated action today, AMR could prompt the next global health crisis, with a potentially dramatic impact on the planet, its people, and global GDP. Whilst LGIM applauds the company's efforts over the past few years on reducing the use of antibiotics in its supply chain for chicken and beef as well as pork, they believe AMR is a financially material issue for the company and other stakeholders, and LGIM want to signal the importance of this topic to the company's board of directors.

LGIM consider this vote to be significant as LGIM took the rare step of publicly pre-declaring it before the shareholder meeting. Publicly pre-declaring its vote intention is an important tool for its engagement activities. LGIM decide to pre-declare its vote intention for a number of reasons, including as part of its escalation strategy, where it considers the vote to be contentious, or as part of a specific engagement programme.

LGIM Europe (ex UK) Equity Index Fund

Sampo Oyj, May 2021. Vote: Against

Summary of resolution: Accept financial statements and statutory reports.

Rationale: The company is deemed to not meet minimum standards with regards to climate risk management and disclosure.

LGIM considers this vote to be significant as it is applied under the Climate Impact Pledge, LGIM's flagship engagement programme targeting some of the world's largest companies on their strategic management of climate change.

Varta AG, June 2021. Vote: Against

Summary of resolution: Elect Michael Tojner to the Supervisory Board.

Rationale: LGIM views gender diversity as a financially material issue for its clients, with implications for the assets they manage on its clients behalf. For 10 years, LGIM has been using its position to engage with companies on this issue. As part of its efforts to influence its investee companies on having greater gender balance, LGIM expect companies in well-governed markets to have at least 30% women on their boards. For further details, please refer to LGIM's vote policies on the LGIM website.

LGIM deemed this vote significant as it views gender diversity as a financially material issue for its clients, with implications for the assets it manages on their behalf.

LGIM Asia Pacific (ex Japan) Equity Index Fund

Daewoo Engineering & Construction Co Ltd, June 2021. Vote: Against

Summary of resolution: Elect Kim Hyeong as inside Director.

Rationale: LGIM views gender diversity as a financially material issue for its clients, with implications for the assets it manages on their behalf. As part of its efforts to influence its investee companies on having greater gender balance, LGIM expect all companies in which they invest globally to have at least one woman on their board. LGIM has stronger requirements in the UK, North American, European and Japanese markets, in line with its engagement in these markets. For further details, please refer to LGIM's vote policies on the LGIM website. LGIM also 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 LGIM have supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 LGIM has been voting against all combined board chair/CEO roles. Furthermore, LGIM has published a guide for boards on the separation of the roles of chair and CEO (available on its website), and it has reinforced its position on leadership structures across its stewardship activities – e.g. via individual corporate engagements and director conferences.

LGIM considers this vote to be significant as it is in application of an escalation of its vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote). LGIM also views gender diversity as a financially material issue for its clients, with implications for the assets it manages on their behalf.

Suntec Real Estate Investment Trust, April 2021. Vote: Against

Summary of resolution: Adopt report of the Trustee, statement by the manager and audited financial statements and auditors report.

Rationale: The company is deemed to not meet minimum standards with regards to climate risk management and disclosure.

LGIM considers this vote to be significant as it is applied under the Climate Impact Pledge, LGIM's flagship engagement programme targeting some of the world's largest companies on their strategic management of climate change.

LGIM Japan Equity Index Fund

Mitsubishi UFJ Financial Group, Inc, June 2021. Vote: For

Summary of resolution: Amend articles to disclose plan outlining company's business strategy to align investments with goals of Paris Agreement.

Rationale: LGIM expects companies to be taking sufficient action on the key issue of climate change. While LGIM positively noted the company's recent announcements around net-zero targets and exclusion policies, it thinks that these commitments could be further strengthened and believes the shareholder proposal provides a good directional push.

LGIM deemed this vote significant as it views climate change as a financially material issue for its clients, with implications for the assets the manage on their behalf. This was also a high-profile proposal in Japan, where climate-related shareholder proposals are still rare.

SoftBank Corp, June 2021. Vote: Against

Summary of resolution: Amend articles to allow virtual only shareholder meetings.

Rationale: Japanese companies are able to hold virtual meetings using temporary regulatory relief (without amending articles) for two years, but the passage of this proposal will authorize the company to hold virtual meetings permanently, without further need to consult shareholders, even after the current health crisis is resolved. The proposed language fails to specify situations under which virtual meetings will be held, raising concerns that meaningful exchange between the company and shareholders could be hindered, especially in controversial situations such as when shareholder proposals are submitted, a proxy fight is waged, or a corporate scandal occurs.

LGIM deemed this vote significant as it was a high-profile vote where the company proposed a change in articles to allow virtual-only AGMs beyond the temporary regulatory relief effective for 2 years from June 2021.

LGIM Diversified Fund

A number of the votes deemed significant in relation to the LGIM Diversified Fund are those related to the underlying regional equity funds, listed separately in this statement. In addition, LGIM has deemed the following votes significant in relation to the LGIM Diversified Fund.

Recruit Holdings Co Ltd, June 2021. Vote: Against

Summary of resolution: Amend articles to allow virtual only shareholder meetings.

Rationale: LGIM voted against this proposal because Japanese companies are able to hold virtual meetings using temporary regulatory relief (without amending articles) for two years, but the passage of this proposal will authorize the company to hold virtual meetings permanently, without further need to consult shareholders, even after the current health crisis is resolved. The proposed language fails to specify situations under which virtual meetings will be held, raising concerns that meaningful exchange between the company and shareholders could be hindered, especially in controversial situations such as when shareholder proposals are submitted, a proxy fight is waged, or a corporate scandal occurs.

LGIM considers this vote to be significant as it was a high-profile vote where the company proposed a change in articles to allow virtual-only AGMs beyond the temporary regulatory relief effective for 2 years from June 2021.

General Electric, May 2021. Vote:

1 and 2: Against
3 and 4: For

Summary of resolution:

1: Elect Director H. Lawrence Culp, Jr.
2: Elect Director Risa Lavizzo-Mourey.
3: Require independent board chair.
4: Report on meeting the criteria of the Net Zero indicator.

Rationale: LGIM voted to support both resolutions 3 and 4 and opposed resolutions 1 and 2 in an effort to improve the company's governance structure and to spur meaningful action by the company to address gaps in its climate related disclosure and strategy. LGIM believes that the roles of chair and Chief Executive Officer (CEO) should be separated. The concentration of power in the hands of a single individual can be seen as an advantage for a company. For example, having a single person is thought by many to facilitate quick decision-making. However, LGIM believes that, on balance, the perceived advantages do not outweigh the risks of such a structure. Instead, a separate chair and CEO provides a balance of authority and responsibility that is in both the company's and investors' best interest. At the company's 2021 AGM, a shareholder resolution was proposed to require an independent chair, which would in effect result in a separation of the chair and CEO roles. LGIM is also committed to addressing the issue of climate change. LGIM believe that climate change and the transition to a low-carbon presents both risks and opportunities for its investee companies. At the company's 2021 AGM, a shareholder resolution was filed by requesting that the company report on its progress towards achieving a target of net zero greenhouse gas emissions by 2050.

LGIM deemed this vote significant as the company was researched and discussed by LGIM's Global Research and Engagement Group, an internal engagement forum bringing together the active equities and fixed income teams, and the investment stewardship team. In addition, LGIM note the 98% support for the climate shareholder resolution which is unusual.

LGIM Low Carbon Transition Fund

Lasertec Corp, September 2021. Vote: Against

Summary of resolution: Elect Director Kusunose, Haruhiko.

Rationale: LGIM views gender diversity as a financially material issue for its clients, with implications for the assets it manages on their behalf. For 10 years, LGIM has been using its position to engage with companies on this issue. As part of their efforts to influence its investee companies on having greater gender balance and following a campaign on gender diversity in Japan in 2019, LGIM decided to escalate its voting policy. In 2020, LGIM announced that it would be voting against all companies in the large-cap TOPIX 100 index that do not have at least one woman on their board. In 2021, LGIM expanded the scope of its policy to vote against TOPIX Mid 400 companies that do not have at least one woman on the board.

LGIM considers this vote significant as it views gender diversity as a financially material issue for its clients, with implications for the assets it manages on their behalf.

Reinet Investments SCA, August 2021. Vote: Against

Summary of resolution: Reelect John Li as Board of Overseas.

Rationale: 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 LGIM have supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 LGIM has been voting against all combined board chair/CEO roles. Furthermore, LGIM has published a guide for boards on the separation of the roles of chair and CEO (available on their website), and it has reinforced its position on leadership structures across its stewardship activities – e.g. via individual corporate engagements and director conferences.

LGIM considers this vote to be significant as it is in application of an escalation of its vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote).

JP Morgan Emerging Markets Equity Fund

PT Bank Rakyat Indonedia (Persero) Tbk, July 2021. Vote: Against

Summary of resolution: Approve Issuance of Equity Shares with Preemptive Rights and Amend Articles of Association.

Rationale: J.P. Morgan Asset Management votes against the general mandate for share issuance due to the lack of self-imposed limit on price discount to 10%, as well as inadequate clarity in the company's maximum share issuance limit.

JP Morgan deemed this vote significant due to the resolution type.

China Gas Holdings Limited, August 2021. Vote: Against

Summary of resolution: Elect Liu Mingxing as Director.

Rationale: J.P. Morgan Asset Management votes against the election of the executive director who is the board chair's brother, due to concerns about overall board independence and effectiveness.

JP Morgan deemed this vote significant due to the resolution type.

BlackRock Aquila Life Market Advantage Fund

Rio Tinto Limited, May 2021. Vote: For

Summary of resolution: Approve Emissions Targets.

Rationale: BlackRock believes it is in the best interests of shareholders to have access to greater disclosure on this issue.

BlackRock deemed this vote significant due to the rationale noted above.

Union Pacific Corporation, May 2021. Vote: For

Summary of resolution: Publish Annually a Report Assessing Diversity and Inclusion Efforts.

Rationale: The Company does not meet BlackRock's expectations for disclosure of material diversity, equity, and inclusion policies and/or risks.

BlackRock deemed this vote significant due to the rationale noted above.

Partners Group Generations Fund

A large proportion (typically 80-90%) of the Partners Group Generations Fund is invested in private market investments and typically these are businesses where Partners Group is in the control equity position (i.e. Partners Group has the ability to control the board and strategic direction of the business without the need for an investor vote). Therefore, the examples provided below pertain to ESG efforts of portfolio companies within the fund as they are considered by Partners Group to be more representative of the engagement activities that it is conducting.

VSB Renewables Platform, 2021. Vote: Control of board

Rationale: VSB initiated the 'VSB Goes Green Initiative', which includes several ESG projects aimed at deepening the alignment of business units and employees with the climate friendly nature of the company. One of the initiatives include assessing Scope 1 and Scope 2 emissions with the support of an external advisor. VSB aims to reduce its carbon footprint. The company has also initiated a comprehensive health and safety review to promote the well-being of its employees.

Partners Group deemed this example significant due to the size of the holding within the fund.

Ammega (Megadyne – Ammeraal Beltech), 2021. Vote: Control of board

Rationale: Ammega finalized its 2025 ESG & Sustainability vision during the period. This includes steps towards reducing its environmental impact, improving its employee engagement and further developing controls on sustainability data. The overarching objective is to enable the company to further improve its existing bronze EcoVadis rating. EcoVadis provides holistic sustainability ratings, which blue chip companies often request of suppliers to assess the sustainability of operations. Ammega has set a plan to significantly reduce Scope 1 and 2 emissions through identifying opportunities to reduce electricity and fuel consumption. All facilities were requested to identify opportunities and submit their proposals to Ammega's Corporate Social responsibility team in order to prioritize projects that will be implemented. The next step would be to switch to renewable sources, where available, and only offset if necessary.

Partners Group deemed this example significant due to the size of the holding within the fund.

BMO Responsible Global Equity Fund

Xylem Inc, May 2021. Vote: For

Summary of resolution: Proxy access amendments.

Rationale: Shareholders should have the right to reasonable access to the proxy, including the nomination of directors to the board. Such a practice encourages greater accountability of directors to the shareholders whose interests they represent. Similar proxy access in other developed markets has not led to problematic elections, as some companies fear.

BMO deemed this vote significant due to the rationale noted above.

eBay Inc, June 2021. Vote: Abstain

Summary of resolution: Improve principles of executive compensation program.

Rationale: While BMO agree that income inequality, pay disparity and rising CEO pay is a societal concern, BMO do not believe that incorporating the proposed CEO to worker pay ratio into the executive compensation program would create the intended benefits.

BMO deemed this vote significant due to the rationale noted above.

Signed (signature removed):

Date: 16 June 2022