

The Northern Trust (UK) Pension Plan

Implementation Statement

For year ending 31 December 2022

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Section 1: Introduction

This document is the annual Implementation Statement (“the Statement”) prepared by the Trustee of the Northern Trust (UK) Pension Plan (“the Plan”) covering the year from 1 January 2022 to 31 December 2022 (“the Plan Year”) in relation to the Trustee’s Statement of Investment Principles (“SIP”).

The purpose of this statement is to:

- Set out the extent to which, in the opinion of the Trustee, the Plan’s SIP was followed during the Plan Year
- Detail any reviews of the SIP the Trustee undertook during the Plan Year and any changes made to the SIP as a result of the review
- Describe the voting behaviour by, or on behalf of, the Trustee over the year

A copy of this implementation statement is made available on the following website

<https://epa.towerswatson.com/accounts/nrt/>

The Plan makes use of a wide range of investments; therefore, the principles and policies in the SIP are intended to be applied in aggregate and proportionately, focusing on areas of maximum impact.

Section 2: SIP review and changes

The SIP was reviewed during the Plan Year. No changes were required so the latest adopted version is as at September 2021.

The last strategic review of the DB Section and DC Sections were undertaken in January 2021 and 2020 respectively.

The Trustee undertook a review of the DC Section membership in December 2022. Consideration was given to how members are likely to draw their benefit at retirement, taking into consideration market trends and Plan experience; the typical size of member benefits and expected level of benefits at retirement, and the ability of the membership to tolerate investment risk. The Plan's DC Section investment strategy, including the appropriateness of the Default Lifecycle, is due to be reviewed in Q1 2023.

Section 3: Adherence to the SIP

The SIP comprises the following sections:

1. Introduction
2. Defined Contribution Section
3. Defined Benefit Section
4. Policy Monitoring and Review
5. Appendix A – Division of Responsibility
6. Appendix B – Defined Contribution Planned Lifecycle Matrices

The Trustee considers that all policies outlined in the SIP have been adhered to during the Plan Year. The remainder of this Statement sets out details of how this has been achieved and these details relate to those parts of the SIP which set out the Trustee's policies, and not those which are statements of fact or provide introductory comments or background information.

1. Introduction

This section provides introductory comments and background information on the relevant regulatory framework rather than setting out any policies. This section also sets out the Trustee's relationship with its investment managers, in accordance with the relevant regulatory framework. Furthermore, as mentioned therein, the Trustee has reviewed the SIP within the Plan Year and the SIP has been formulated after receiving appropriate written advice and Company consultation.

2. Defined Contribution Section (DC Section):

Default lifecycle

There were no changes made to the Default Lifecycle during the year. The Trustee implemented the fund changes during 2021 resulting from the investment strategy review conducted in 2020.

Investment objectives and risk

This section sets out the investment objectives for the Defined Contribution Section. It outlines the Trustee's recognition that Plan members may have different investment needs and attitudes to risk which may change over time. It also acknowledges one of the Trustee's primary objectives to make available a range of investment options to serve these varying investment needs and risk appetites.

This section also details the Trustee's recognition of the different risks faced by members which could ultimately lead to members accumulating insufficient assets to support their desired level of consumption in retirement. The Trustee provides members with a range of investment options that aim to offer members the ability to navigate and mitigate these risks themselves.

Details of the two lifecycle options and range of self-select investment funds available are also provided. The range of investment options available was chosen to offer diversification across asset classes and in some cases, management style. The Trustee takes regular advice on the suitability of the investment funds and member assets are held in pooled funds which are readily realisable (subject to any fund specific policy conditions). There were no changes made to the range of investment funds offered to members during the year, members continued to have access to investments that are expected to provide a return ahead of inflation over the long-term; investments that offer a very low risk of capital loss, and a range of options that provide flexibility to meet varying objectives.

The Trustee monitored performance of the investment funds at the quarterly trustee reporting meetings by reviewing quarterly investment monitoring reports produced by its Investment Adviser. These reports include short-term and long-term performance assessment which the Trustee, along with the Investment Adviser, discussed at the reporting meetings and evaluated any incidences where performance deviated materially from the benchmark/expectations.

The Trustee monitored the Prudential With-Profits Fund Additional Voluntary Contribution (AVC) arrangement in July 2022. The Trustee received a monitoring report which considered the financial strength of the fund, asset allocation, performance assessment and pay-out analysis.

3. Defined Benefit Section (DB Section):

Investment objectives

This section sets out the investment objectives for the Defined Benefit Section. The Trustee is satisfied that the objectives as set out in this section of the SIP have been followed. In particular:

- the Plan remained on track to meet its liabilities over the long term
- investment risk relative to the Plan's liabilities was appropriately managed through regular reviews and monitoring
- long term costs were managed by using predominantly passively managed funds offered by Legal and General Investment Management (LGIM)

Scheme specific funding

This section outlines that the Trustee review the investment policy in light of the agreed objectives and funding requirements of the latest triennial actuarial valuation. This review was ongoing during the period as the actuarial valuation on 1 January 2020 was completed in March 2021.

Investment policy

This section sets out the prevailing investment strategy which reflects the Plan's liabilities and Trustee risk appetite. Details of the long-term strategic asset allocation are also provided. The Trustee monitors the performance of each fund on a quarterly basis and the appropriateness of the investment strategy on an annual basis.

Risk

This section states how the Trustee defines the various investment risks which the Plan is exposed to and how each risk is measured and managed. The Trustee monitors performance of the investment funds, level of cashflow and the sponsor's business performance on a quarterly basis through quarterly investment monitoring reports produced by its Investment Adviser and quarterly reports provided by its Administrator and by the Sponsor. The Trustee also conducts triennial reviews of its strategic asset allocation, the latest of which was concluded during 2021. The Trustee is satisfied that each of the defined risks were managed appropriately over the Plan Year.

Diversification and Suitability

The investment strategy adopted by the Trustee is designed to ensure the investments are adequately diversified.

The Trustee has taken advice from its Investment Adviser on the suitability of the investment strategy given the Plan's liability profile.

4. Policy Monitoring and Review:

Review of the Statement of Investment Principles

As mentioned in Section 2, the SIP was reviewed in the Plan Year, no changes were required.

Monitoring Investment Arrangements

The Trustee receives a quarterly monitoring report from its Investment Adviser, which is discussed at each Trustee meeting, so as to fully understand the background to and reasons for performance of each fund and its constituent parts. This report covers the following:

- Investment fund performance over a 3-month, 1 year, 3 year and 5 year time horizon.
- Qualitative assessment of the Plan's underlying investment managers provided by the Trustee's Investment Adviser. These assessments are updated on a quarterly basis and were reviewed by the Trustee at each quarterly Trustee meeting over the Plan Year.
- More detailed performance analysis of the Plan's diversified growth fund investments and global equity funds.

There were no changes made to the funds during the year. The Trustee reviewed the equity and diversified growth portfolios in detail during 2020, with changes implemented in 2020 and 2021.

Stewardship and Sustainable Investment

The Trustee conducted its annual 'Sustainable Investment Review' of all of the Plan's equity investment managers in October 2022. The aim of the review is to monitor managers' policies and practices in various areas of sustainable investment including, but not limited to, integration of ESG factors into investment approach, consideration of climate in investment approach, monitoring and reporting, and stewardship practices focussing on voting and corporate engagement activity.

It was concluded that the Plan's equity managers were performing well in terms of integration of environmental, social and governance considerations into their processes and their stewardship practices, with a couple of the managers making notable improvements. One manager was assessed as being acceptable. This was below the Trustee's expectations for its managers, so it was agreed to engage directly with the fund manager to articulate the Trustee's expectations and to better understand the manager's plans. The Trustee recognises climate change risk as one of many sustainable investment factors that may influence an investment's financial success, and this was one of the reasons the Trustee decided to introduce explicit sustainable investment integrated passive funds in the Global Equity Passive fund which forms a key part of the DC Section's Default Lifecycle option.

The Trustee is committed to sustainable investment within the Plan as part of its fiduciary duty and views this as an ongoing topic. The Trustee undertook a survey of its membership during the year with the results being considered in October 2022.

Arrangement with Investment Managers

The Trustee sends a copy of the SIP to all of the Plan's underlying investment managers following any policy updates to keep managers informed of the Trustee's latest policies, and particularly the policies around sustainable investment. The SIP was sent to managers in January 2021. The SIP updated in September 2021 was not sent to managers as it did not include any policy changes.

In response to regulatory requirements, the Trustee added a policy stating that it would review portfolio turnover and associated costs of the Plan's underlying investment funds. The Trustee receives costs and charges reporting for the previous calendar year annually and reviewed these costs relating to 2022, including monitoring portfolio turnover.

The Trustee monitors the Plan's investment managers on an ongoing basis and engages with managers as required.

5. Appendix A – Division of Responsibility

This section sets out the division of responsibilities between the Investment Managers, Investment Adviser and Plan Actuary.

6. Appendix B – Defined Contribution Planned Lifecycle Matrices

This section sets out the structure and switching profile for each of the DC Section's lifecycle options.

Section 4: Voting and engagement

This section sets out the voting activities of the Plan's Investment Managers over the Plan Year, including details of the use of proxy adviser services. The Trustee had not set any specific guidelines around manager voting during the year. Following the end of the year the Trustee has reviewed its policy and agreed Climate change and Diversity, Equity & Inclusion as its voting priorities.

The Trustee invests in pooled investment funds and as set out in the SIP, the Trustee's policy is to delegate the day-to-day sustainable investment considerations (including environmental, social and governance factors) and stewardship activities (including voting and engagement) to the Investment Managers. The Trustee monitors the actions taken by its managers with the last review undertaken in December 2022.

The Plan's investment funds cover a diverse range of asset classes; however, this section focuses on the equity investments which have voting rights attached. The Plan's equity-based investments at year end are as follows:

Defined Contribution Section

Default Lifecycle:

- 70% Global Equity Passive Fund comprised of:
 - 50% LGIM All World Equity Index (GBP Hedged)
 - 20% LGIM MSCI ACWI Adaptive Capped ESG Index
 - 30% LGIM Robeco Global Sustainable Multi-Factor Equity Index
- 30% Diversified Growth Active Fund – LGIM Diversified

Higher Risk Lifecycle:

- 70% Global Active Equity Fund comprised of:
 - 17.5% Ardevora Global Long-Only Equity
 - 32.5% River & Mercantile Global High Alpha
 - 17.5% Sands Capital Global Growth
 - 32.5% Veritas Global Focus
- 30% Diversified Growth Active Fund – LGIM Diversified Fund

Self-select investment funds:

- Global Equity Passive Fund comprised of:
 - 50% LGIM All World Equity Index (GBP Hedged)
 - 20% LGIM MSCI ACWI Adaptive Capped ESG Index
 - 30% LGIM Robeco Global Sustainable Multi-Factor Equity Index
- UK Equity Passive Fund – BlackRock ACS UK Equity Index
- Global Active Equity Fund comprised of:
 - 17.5% Ardevora Global Long-Only Equity
 - 32.5% River & Mercantile Global High Alpha
 - 17.5% Sands Capital Global Growth
 - 32.5% Veritas Global Focus
- UK Active Equity Fund comprised of:
 - 50% Lindsell Train UK Equity Fund
 - 50% River and Mercantile UK High Alpha Equity Fund

- Emerging Markets Fund – JP Morgan Asset Management Emerging Markets Equity Fund
- Shariah Equity Fund – HSBC Islamic Global Equity Index
- Listed Property & Infrastructure Fund comprised of:
 - 50% LGIM MFG Infrastructure
 - 50% LGIM Heitman Property
- Diversified Growth Active Fund – LGIM Diversified
- Diversified Growth Passive Fund – BlackRock ALMA

Defined Benefit Section

- LGIM Diversified Fund

The Investment Managers have their own voting policies which determine their approach to voting, and the principles they follow when voting on investors' behalf. The Investment Managers also use proxy voting advisers which aid in their voting decisions. Details are summarised in the table below:

Manager	Use of proxy adviser services
Ardevora	<p>Ardevora uses Glass Lewis & Co (“GL”) as its proxy administrator to vote proxies on behalf of the various funds and accounts they manage. Ardevora votes in line with GL’s proxy voting guidelines, their policy is to vote proxies on a given issue in the same way for all of their clients. GL have partnered with Sustainalytics who provide detailed ESG profiles for each of the companies they vote on. Their proxy voting guidelines can be viewed at: www.glasslewis.com/guidelines.</p> <p>The Responsible Investment team oversees Glass Lewis’s voting recommendations using an internal proxy voting dashboard. Additional scrutiny is applied to ballots concerning election of directors, ‘say on climate’ and shareholder resolutions.</p> <p>Board representation is of particular importance to Ardevora, as diverse boards bring a valuable range of perspectives and opinions to decision making. If a board has less than 30% female representation, Ardevora will first engage to offer the company a chance to explain this shortcoming.</p>
BlackRock	<p>BlackRock subscribes to research from the proxy advisory firms Institutional Shareholder Services (ISS) and Glass Lewis which contribute to, but do not determine, BlackRock’s voting decisions which are made by the BlackRock internal stewardship team.</p> <p>BlackRock primarily uses proxy research firms to synthesise corporate governance information and analysis into a concise, easily reviewable format so that their investment stewardship team can readily identify and prioritise those companies where BlackRock’s own additional research and engagement would be beneficial. They do not follow any single proxy research firm’s recommendations.</p>
HSBC	<p>HSBC uses Institutional Shareholder Services (ISS) as its proxy voting service provider, for custom recommendations based upon HSBC’s voting guidelines and for vote instruction. ISS provides custom recommendations for all companies held, whether in active or passive funds. Custom recommendations on passive holdings are reviewed by the stewardship team for the largest holdings and by active managers for holdings in common.</p> <p>HSBC have global voting guidelines which protect investor interests and foster good practice, highlighting independent directors, remuneration linked to</p>

Manager	Use of proxy adviser services
	performance, limits on dilution of existing shareholders and opposition to poison pills.
JP Morgan Asset Management	JPMAM uses the third-party corporate governance data provider, Institutional Shareholder Services (ISS) to receive meetings notifications, provide company research and process its votes.
LGIM	<p>LGIM's Investment Stewardship team uses Institutional Shareholder Services' (ISS) electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and they do not outsource any part of the strategic decision.</p> <p>LGIM use ISS recommendations to augment their own research. LGIM's internal investment stewardship team also use research reports of Institutional Voting Information Services (IVIS) to supplement the research reports that they receive from ISS for UK companies when making specific voting decisions.</p> <p>LGIM have a custom voting policy in place which includes specific voting instructions which apply to all markets globally. LGIM have the ability to override any vote decisions which are based on this custom voting policy if they see fit.</p>
Lindsell Train	Lindsell Train has appointed Glass Lewis to aid the administration of proxy voting and provide additional support in this area. They would like to stress however, that the portfolio managers maintain final decision-making responsibility, which is based on their detailed knowledge of the companies in which they invest, as this forms an important part of their investment process and proactive company engagement strategy.
River and Mercantile	River and Mercantile use a third party, ISS Corporate Solutions, to implement their voting policy; overriding their recommended action when it differs from River and Mercantile's General Principles on standards for good corporate governance and management of environmental and social issues.
Sands Capital	Sands Capital has established a Proxy Committee, which consists of five permanent members. Sands Capital votes on their proxies themselves, but they consider the recommendations of proxy advisers such as ISS and Glass Lewis in their voting decisions.
Veritas	Veritas use Institutional Shareholder Services (ISS) for vote execution and policy application.

The below table sets out the Investment Managers voting activity over the Plan Year:

Fund	Voting activity
Ardevora Global Long Only Equity	<p>Number of resolutions on which manager was eligible to vote: 2,539</p> <p>Percentage of eligible votes cast: 100%</p> <p>Percentage of votes with management: 91.3%</p> <p>Percentage of votes against management: 8.5%</p> <p>Percentage of votes abstained from: 0.5%</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: N/A</p>
BlackRock UK Equity Index Fund	<p>Number of resolutions on which manager was eligible to vote: 10,301</p> <p>Percentage of eligible votes cast: 99%</p> <p>Percentage of votes with management: 96%</p>

Fund	Voting activity
	<p>Percentage of votes against management: 3%</p> <p>Percentage of votes abstained from: 0%</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: 0%</p>
<p>BlackRock ALMA Fund</p>	<p>Number of resolutions on which manager was eligible to vote: 47,461</p> <p>Percentage of eligible votes cast: 94%</p> <p>Percentage of votes with management: 90%</p> <p>Percentage of votes against management: 9%</p> <p>Percentage of votes abstained from: 2%</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: N/A</p>
<p>HSBC Islamic Global Equity Index Fund</p>	<p>Number of resolutions on which manager was eligible to vote: 1,623</p> <p>Percentage of eligible votes cast: 95.8%</p> <p>Percentage of votes with management: 81.8%</p> <p>Percentage of votes against management: 17.6%</p> <p>Percentage of votes abstained from: 0.6%</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: 11.2%</p>
<p>JP Morgan Asset Management Emerging Markets Fund</p>	<p>Number of resolutions on which manager was eligible to vote: 971</p> <p>Percentage of eligible votes cast: 100%</p> <p>Percentage of votes with management: 92%</p> <p>Percentage of votes against management: 7%</p> <p>Percentage of votes abstained from: 1%</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: 1%</p>
<p>LGIM All World Equity Index Fund</p>	<p>Number of resolutions on which manager was eligible to vote: 67,139</p> <p>Percentage of eligible votes cast: 99.87%</p> <p>Percentage of votes with management: 78.85%</p> <p>Percentage of votes against management: 19.86%</p> <p>Percentage of votes abstained from: 1.29%</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: 10.38%</p>
<p>LGIM MSCI ACWI Adaptive Cap ESG Fund</p>	<p>Number of resolutions on which manager was eligible to vote: 37,530</p> <p>Percentage of eligible votes cast: 99.79%</p> <p>Percentage of votes with management: 77.81%</p> <p>Percentage of votes against management: 20.85%</p> <p>Percentage of votes abstained from: 1.34%</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: 13.05%</p>
<p>LGIM Robeco Global Sustainable</p>	<p>Number of resolutions on which manager was eligible to vote: 25,699</p>

Fund	Voting activity
Multi-Factor Equity Fund	<p>Percentage of eligible votes cast: 99.77%</p> <p>Percentage of votes with management: 79.41%</p> <p>Percentage of votes against management: 19.63%</p> <p>Percentage of votes abstained from: 0.96%</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: 12.73%</p>
LGIM Diversified Fund	<p>Number of resolutions on which manager was eligible to vote: 98,795</p> <p>Percentage of eligible votes cast: 99.80%</p> <p>Percentage of votes with management: 77.42%</p> <p>Percentage of votes against management: 21.88%</p> <p>Percentage of votes abstained from: 0.71%</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: 12.46%</p>
LGIM MFG Infrastructure Fund	<p>Number of resolutions on which manager was eligible to vote: 1,114</p> <p>Percentage of eligible votes cast: 100%</p> <p>Percentage of votes with management: 76.48%</p> <p>Percentage of votes against management: 23.52%</p> <p>Percentage of votes abstained from: 0.0%</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: 18.76%</p>
LGIM Heitman Global Prime Property Securities Fund	<p>Number of resolutions on which manager was eligible to vote: 984</p> <p>Percentage of eligible votes cast: 100%</p> <p>Percentage of votes with management: 81.30%</p> <p>Percentage of votes against management: 18.6%</p> <p>Percentage of votes abstained from: 0.10%</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: 15.96 %</p>
Lindsell Train UK Equity	<p>Number of resolutions on which manager was eligible to vote: 368</p> <p>Percentage of eligible votes cast: 100%</p> <p>Percentage of votes with management: 99.46%</p> <p>Percentage of votes against management: Nil</p> <p>Percentage of votes abstained from: 0.54%</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: N/A</p>
River & Mercantile UK Equity High Alpha	<p>Number of resolutions on which manager was eligible to vote: 4,466</p> <p>Percentage of eligible votes cast: 100%</p> <p>Percentage of votes with management: 94.85%</p> <p>Percentage of votes against management: 5.15%</p> <p>Percentage of votes abstained from: 0.09%</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: 5.58%</p>

Fund	Voting activity
River & Mercantile Global Equity High Alpha	<p>Number of resolutions on which manager was eligible to vote: 2,914</p> <p>Percentage of eligible votes cast: 99.35%</p> <p>Percentage of votes with management: 76.37%</p> <p>Percentage of votes against management: 23.63%</p> <p>Percentage of votes abstained from: 0.48%</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: 15.68%</p>
Sands Capital Global Growth Fund	<p>Number of resolutions on which manager was eligible to vote: 352</p> <p>Percentage of eligible votes cast: 100%</p> <p>Percentage of votes with management: 95.17%</p> <p>Percentage of votes against management: 4.83%</p> <p>Percentage of votes abstained from: Nil</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: 13.92%</p>
Veritas Global Focus Fund	<p>Number of resolutions on which manager was eligible to vote: 423</p> <p>Percentage of eligible votes cast: 100%</p> <p>Percentage of votes with management: 88%</p> <p>Percentage of votes against management: 11%</p> <p>Percentage of votes abstained from: Nil</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: 10%</p>

Note. Figures may not total 100% due to a variety of reasons, such as lack of management recommendation, scenarios where an agenda has been split voted, multiple ballots for the same meeting were voted differing ways, or a vote of 'Abstain' is also considered a vote against management.

The following table below outlines the votes the Trustee considers to be significant that were cast by the Plan's Investment Managers on the Trustee's behalf over the year. The Trustee has considered its voting priorities along with other criteria such as the size of holdings, whether voting against management and the potential financial impact when determining the votes it considers to be significant.

Significant vote cast	Coverage
<p><u>Company: UBS Group AG</u></p> <p><u>Meeting date: April 2022</u></p> <p>Manager resolution: Resolution 3 - Approve Climate Action Plan</p> <p>Reason significant: Climate change is a financially material risk. This vote as an escalation of LGIM's climate-related engagement activity and their public call for high quality and credible transaction plans to be subject to a shareholder vote</p> <p>Stewardship priority: Climate change</p> <p>Size: 0.157% of Global Equity Passive and 0.052% of Diversified Growth</p> <p>Company management recommendation: For</p> <p>How the manager voted: Against</p> <p>Intention communicated: LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management.</p> <p>Rationale: Climate change: A vote AGAINST this proposal is applied following internal discussion. While we positively note the company's progress over the last year, as well as its recent commitment to net zero by 2050 across its portfolio, we have concerns with the strength and coverage of the Climate Action Plan's Scope 3 targets and would ask the company to seek external validation of its targets against credible 1.5°C scenarios. Gaining approval and verification by SBTi (or other external independent parties as they develop) can help demonstrate the credibility and accountability of plans.</p> <p>Outcome: 77.7 % of shareholders supported the resolution.</p> <p>Next steps: LGIM will continue to engage, publicly advocate its position on this issue and monitor company and market-level progress</p>	<p>Global Equity Passive Fund and Diversified Growth Fund</p>
<p><u>Company: NVIDIA Corporation</u></p> <p><u>Meeting date: June 2022</u></p> <p>Manager resolution: Resolution 5 – Require Independent Board Chair</p> <p>Reason significant: Diversity is a financially material issue</p> <p>Stewardship priority: Diversity, equity and inclusion</p> <p>Size: 0.437% of Global Equity Passive and 0.066% of Diversified Growth</p> <p>Company management recommendation: For</p> <p>How the manager voted: Against</p> <p>Intention communicated: LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management.</p> <p>Rationale: Diversity: A vote against is applied as LGIM expects a company to have at least 25% women on the board with the expectation of reaching a minimum of 30% of women on the board by 2023. LGIM is targeting the largest companies as it believes that these should demonstrate leadership on this critical issue. Independence: A vote against is applied as LGIM expects a board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background.</p> <p>Outcome: 83.8% of shareholders supported the resolution</p> <p>Next steps: LGIM will continue to engage and publicly advocate its position on this issue and monitor company and market-level progress</p>	<p>Global Equity Passive Fund and Diversified Growth Fund</p>

Significant vote cast	Coverage
<p><u>Company: Alphabet Inc.</u> <u>Meeting date: June 2022</u></p> <p>Manager resolution: Resolution 7 - Report on Physical Risks of Climate Change</p> <p>Reason significant: Climate change is a financially material risk. This vote as an escalation of LGIM's climate-related engagement activity and their public call for high quality and credible transaction plans to be subject to a shareholder vote</p> <p>Stewardship priority: Climate change</p> <p>Size: 0.854% of Global Equity Passive and 0.097% of Diversified Growth</p> <p>Company management recommendation: Against</p> <p>How the manager voted: For</p> <p>Intention communicated: LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management.</p> <p>Rationale: Shareholder Resolution - Climate change: A vote in favour is applied as LGIM expects companies to be taking sufficient action on the key issue of climate change.</p> <p>Outcome: 17.7 % of shareholders supported the resolution. LGIM will continue to engage with their investee companies.</p> <p>Next steps: LGIM will continue to engage and publicly advocate its position on this issue and monitor company and market-level progress</p>	<p>Global Equity Passive Fund and Diversified Growth Fund</p>
<p><u>Company: Mapletree Logistics Trust</u> <u>Meeting date: July 2022</u></p> <p>Manager resolution: Resolution 1 - Adopt Report of the Trustee, Statement by the Manager, Audited Financial Statements and Auditors' Report</p> <p>Reason significant: Climate change is a financially material risk. This vote is an escalation of LGIM's climate-related engagement activity and their public call for high quality and credible transaction plans to be subject to a shareholder vote</p> <p>Stewardship priority: Climate change</p> <p>Size: 0.019% of Diversified Growth and 0.521% of Property and Infrastructure Fund</p> <p>Company management recommendation: For</p> <p>How the manager voted: Against</p> <p>Intention communicated: LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management.</p> <p>Rationale: Climate Impact Pledge: The company is deemed to not meet minimum standards with regards to climate transition, risk management and disclosure. Climate change is one of the defining issues of our time. In recognition of its potentially catastrophic outcomes for the world, LGIM support efforts to limit carbon emissions to net zero by 2050. Where company's do not meet LGIM's expectations, LGIM will hold the Chair responsible for the lack of action. LGIM assess the company's climate transition, risk management and disclosure under its Climate Impact Pledge methodology.</p> <p>Outcome: 98% of shareholders supported the resolution.</p> <p>Next steps: LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.</p>	<p>Diversified Growth Fund and Property and Infrastructure Fund</p>