

SI Group – UK, Ltd Pension Plan (“the Plan”)

SIP Implementation Statement for the Year Ended
5 April 2024



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Section 1

Introduction

This statement sets out how, and the extent to which, the Statement of Investment Principles (“SIP”) produced by the Trustees have been followed during the year running from 5 April 2023 to 5 April 2024 (the “Plan Year”). This statement has been produced in accordance with the Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018, the subsequent amendment in The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 and the statutory guidance on reporting on stewardship in the implementation statement dated 17 June 2022.

The statement is based on, and should be read in conjunction with, the relevant version of the SIP that was in place for the Plan Year, which was the SIP dated September 2020 (covering the period between 6 April 2023 and 10 September 2023) and the SIP dated September 2023 (covering the period between 11 September 2023 and 5 April 2024).

Section 2 of this statement sets out the investment objectives of the Plan and changes which have been made to the SIP during the Plan Year. Also set out is how, and the extent to which, the policies in the Defined Benefit (“DB”) Section and Defined Contribution (“DC”) Section of the SIP have been followed during the Plan year. **The Trustees can confirm that all policies in the SIP have been followed in the Plan Year.**

A copy of the SIP is available at: <https://siigroup.com>

Sections 3 and 4 include information on the engagement and key voting activities of the underlying investment managers within each Section of the Plan.

Section 2

Statement of Investment Principles

Investment Objectives of the Scheme

The Trustees believe it is important to consider the policies in place in the context of the objectives they have set.

DB Section

The objectives for the **DB Section** of the Plan specified in the SIP are as follows:

The Trustees' primary investment objective is to invest the Plan's assets in such a manner that members' benefit entitlements can be paid as and when they fall due.

Given this, the Trustees are aiming to achieve an ongoing funding level of 100% on a Technical Provisions basis and thereafter to maintain 100% funding. A further objective is for the Plan's investment manager to meet their performance targets.

DC section

For the **DC section** of the Scheme, the Trustees' acknowledge that members have varying investment needs and risk tolerances, which may change over time. They believe that members should generally have the autonomy to make their own investment decisions based on their individual circumstances. However, the Trustees also understand that some members may not feel qualified to make investment decisions, so they provide a default investment strategy as an option. The primary objective of the Trustees is to offer a range of investment funds that allow members to customise their asset strategy according to their needs.

These objectives, stated above, translate to the following principles:

- Offer members a 'Lifestyle' approach for the default investment strategy and ensuring that the other investment strategy options allow members to plan for their specific retirement objectives.
- Make available a range of pooled investment funds which serve to meet the varying investment needs and risk tolerances of Plan members.
- Provide general guidance as to the purpose of each investment option.
- Encourage members to seek independent financial advice from an appropriate party in determining the most suitable option for their individual circumstances.
- The Trustees also periodically review the suitability of the options provided and from time to time will change or introduce additional investment options as appropriate.

Review of the SIP

During the year, the Trustees reviewed and amended the Plan's SIP, taking formal advice from its Investment Consultant (Mercer Limited ("Mercer")). A revised SIP was revised in October 2022 and later signed in September 2023 which mainly reflected the changes implemented following the triennial investment strategy review for the DC Section and updates to Additional Voluntary Contribution section.

Assessment of how the policies in the SIP have been followed for the Plan Year

The information provided in this section highlights the work undertaken by the Trustees during the Plan Year, and has driven long term value for beneficiaries where relevant, and sets out how this work followed the Trustees' policies in the SIP (dated September 2023), relating to the DB Section and DC Section of the Scheme.

The SIP has been updated following the end of the year to incorporate an Illiquid policy section.

In summary, it is the Trustees' view that the policies in the SIP have been followed during the Plan Year.

Investment Mandates

Securing compliance with the legal requirements about choosing investments

Policy

As required by legislation, the Trustees consult a suitably qualified person when making investment selections by obtaining written advice from its Investment Consultant. The policy is detailed in Section 2 (Plan Governance) of the SIP, which applies to the DB and DC Sections of the Plan.

DB	DC
<p>How has this policy been met over the Plan Year?</p> <p>The Trustees made no changes to its appointed investment managers over the year to 5 April 2024.</p> <p>Over the Plan Year, the Trustees following a review of the Plan’s Liability Driven Investment (“LDI”) portfolio implemented the following recommendations:</p> <ul style="list-style-type: none">• Updated the LDI portfolio to better match the characteristics of the Plan’s liabilities and adopted the target level of protection that the Plan’s assets provide against the impact of changes in long-term interest rate and inflation expectations on the funding position of 95%, measured on a Technical Provisions basis.• Adopted the use of the Legal & General Investment Management Limited (“LGIM”) Enhanced Service, which better manages the Plan’s LDI portfolio on an ongoing basis against the target hedge ratio through the delegation of monitoring and management of any rebalancing activity required to the investment manager. The Trustees received suitability advice from the Investment Consultant in line with pension scheme regulations. <p>Following the end of the Plan Year, the Trustees received advice from the Investment Consultant to de-risk the Plan’s investment arrangements, following an improvement in the Plan’s funding position. In summary, the proposed changes were as follows:</p>	<p>How has this policy been met over the Plan Year?</p> <p>The Trustees made no changes to the investment strategy over the year to 5 April 2024.</p> <p>The next investment strategy review is due to be carried out in Q1 2025.</p>

DB	DC
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- Reduce the target equity allocation from 20% to 10%
- Replace the residual passive regional equity portfolio with an investment in the LGIM Future World Global Equity Index Fund, whilst maintaining the current currency hedging policy.

The above changes were implemented in Q2 2024.

Realisation of Investments

Policy

The Trustees' policy is that the Plan's investment managers have discretion in the timing of realisation of investments and in considerations relating to the liquidity of those investments. The Plan's investment managers have responsibility for generating cash as and when required for benefit outgoings. The policy is detailed in Section 2 (Plan Governance) and Section 3.8 (Investment Restrictions) of the SIP, which apply to the DB and DC Sections of the Plan respectively.

DB	DC
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How has this policy been met over the Plan Year?

Over the year, the Plan held a diversified portfolio consisting mostly of readily realisable assets. This included maintaining sufficient liquid assets to meet both short-term and longer-term cashflow requirements. All funds are managed by LGIM and are weekly priced and traded.

The Trustees take advice from Mercer on where to source cash from the Plan's assets to meet cashflow requirements of the Plan, as and when required.

The Plan's investment manager has discretion on the timing of realisations of investments and in considerations relating to the liquidity of those investments.

How has this policy been met over the Plan Year?

All funds utilised by the DC Section are daily dealt pooled investment vehicles, accessed by an insurance contract and realisable based on member demand.

Environmental, Social and Governance (“ESG”)

Financial and non-financial considerations and how those considerations are taken into account in the selection, retention and realisation of investments

Policy

The Plan’s SIP outlines the Trustees’ beliefs on ESG factors (including climate change). Further details are included in Section 3 (Environmental, Social and Corporate Governance (“ESG”), Stewardship, and Climate Change Beliefs) of the SIP, which applies to the DB and DC Sections of the Plan. The Trustees keep their policies under regular review.

DB and DC

How has this policy been met over the Plan Year?

The Trustees consider Mercer’s assessment of how the investment manager embeds ESG into its investment process and how the manager’s responsible investment philosophy aligns with the Trustees’ responsible investment policy. Where appropriate, the Trustees will use this assessment in the decisions around selection, retention and realisation of manager appointments.

The Trustees have given the appointed investment manager full discretion in evaluating ESG factors, including climate change considerations, and exercising voting rights and stewardship obligations attached to the investments. However, the Trustees review the investment manager’s policy on this periodically.

The Trustees do not require the Plan’s investment managers to take non-financial matters into account in their selection, retention and realisation of investments.

In April 2023, the Trustees received training from Mercer on the DWP’s new regulations regarding the requirement for pension scheme trustees to agree upon a definition of “most significant votes” and provide the necessary voting disclosures within the annual Implementation Statement. The Trustees’ agreed definition is outlined in the section regarding voting.

As part of the advice to de-risk the Plan’s DB Section investment strategy, mentioned earlier in this statement, the Trustees introduced the LGIM Future World Global Equity Index Fund which replaced the passive regional equity portfolio. This reflects the growing importance of ESG factors and aligning the Trustees’ beliefs on ESG factors. This fund is also used within the default and self-select fund range of the DC Section.

Voting and Engagement Disclosures

The exercise of the rights (including voting rights) attaching to the investments and undertaking engagement activities in respect of the investments (including the methods by which, and the circumstances under which, the Trustees' would monitor and engage with relevant persons about relevant matters).

Policy

The Trustees' policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to the Plan's investments to the investment managers. Further details are set out in Section 3 of the SIP, which applies to the DB and DC Sections of the Plan.

DB and DC

How has this policy been met over the Plan Year?

The Trustees have given their appointed investment manager full discretion in exercising voting rights and stewardship obligations attached to the investments. The Trustees expect that the Plan's investment managers will vote on the Plan's UK shares in accordance with the guidelines set down by the UK Stewardship Code and UK Corporate Governance Code and encourages them to exercise those rights on behalf of members' interests when they believe there could be a potential financial impact on the funds. The investment managers have full discretion to vote in favour of actions outside these guidelines but will be expected to report to the Trustees with an explanation of its actions. The Trustees will review the investment managers' policies and engagement activities (where applicable) periodically.

The Plan's Investment Manager, LGIM, for both the DB and DC Section is currently a signatory of the current UK Stewardship Code. The Trustees do not use the direct services of a proxy voter.

Following the Department of Work and Pensions' consultation response and outcome regarding Implementation Statements on 17 June 2022, updated guidance was produced which is effective for all Scheme Year ends on or after 1 October 2022. The updated guidance requires trustees to include a description of what constitutes a significant vote within Implementation Statements (amongst other things). Further details are included in section 4 of this statement. The Trustee's significant vote definition is largely based on the following key stewardship themes/priorities:

- Climate Change & Environmental Impact
- Diversity, Equity & Inclusion
- Water & Waste

The most significant votes are determined based on the size of the fund and also the size of the holding within the fund.

Monitoring the Investment Managers

Incentivising asset managers to align their investment strategies and decisions with the Trustees' policies

Policy

The Trustees' policy is set out in Section 4 (Investment Manager Arrangement, Engagement and Monitoring) of the SIP, which applies to the DB and DC Sections of the Plan.

DB	DC
<p>How has this policy been met over the Plan Year?</p> <p>As the Trustees invest in pooled investment funds, they accept that they cannot specify the risk profile and return targets for these funds. However, appropriate funds have been selected to align with the investment strategy.</p>	<p>How has this policy been met over the Plan Year?</p> <p>As the Trustees invests in exclusively pooled investment funds, they accept that they cannot specify the risk profile and return targets for these funds. However, appropriate funds have been selected to align with the objectives of the default investment strategy. The Trustees also offer a range of self-select funds to cover a range of risk and return objectives.</p>

Evaluation of asset managers' performance and remuneration for asset management services

Policy

The Trustees' policy is set out in Section 4 (Investment Manager Arrangement, Engagement and Monitoring) of the SIP, which applies to the DB and DC Sections of the Plan.

DB	DC
<p>How has this policy been met over the Plan Year?</p> <p>Over the Plan Year, the Trustees received regular investment performance reports from LGIM, which includes both short and longer-term performance metrics for all of the Plan's investment mandates managed by LGIM.</p>	<p>How has this policy been met over the Plan Year?</p> <p>Over the Plan Year, the Trustees received regular investment performance reports from LGIM which includes fund performance against their benchmarks over both short and longer-term periods. Performance is also considered as part of the annual Value for Members assessment.</p>

DB

DC

DB and DC

LGIM is aware that their continued appointment is based on their success in delivering the mandate for which they have been appointed. If the Trustees are dissatisfied, they will consider replacing the Manager.

An Investment Manager's appointment may also be terminated if the Trustees' strategic investment objectives change or if the investment objective for a particular Manager's fund changes.

Monitoring portfolio turnover costs

Policy

The Trustees' policy is set out in Section 4 (Investment Manager Arrangement, Engagement and Monitoring) of the SIP, which applies to the DB and DC Sections of the Plan.

DB

DC

How has this policy been met over the Plan Year?

As noted in the SIP, the Trustees do not explicitly monitor portfolio turnover costs with respect to the DB Section of the Plan. Investment manager performance was reported and evaluated net of all fees and transaction costs (costs incurred as a result of buying and/or selling assets). In addition, where possible, performance objectives for investment managers have been set on a net basis. In this way, the investment managers were incentivised to keep portfolio turnover costs to the minimum required to meet or exceed their objectives.

How has this policy been met over the Plan Year?

Transaction costs are disclosed in the annual Chair's Statement and Value for Member Assessment. The transaction costs for each fund covers the buying, selling, lending and borrowing of the underlying securities in the fund by the investment manager. The Trustees are required to assess these costs for value on an annual basis for their DC Section. However, at present, the Trustees note a number of challenges in assessing these costs:

- No industry-wide benchmarks for transaction costs exist
- The methodology leads to some curious results, most notably "negative" transaction costs
- Explicit elements of the overall transaction costs are already taken into account when investment returns are reported, so any assessment must also be mindful of the return side of the costs.

DB

DC

The Trustees will continue to monitor transaction costs on an annual basis and developments on assessing these costs for value.

The duration of the arrangements with asset managers

Policy

The Trustees are long-term investors and do not seek to change the investment arrangements on a frequent basis. Further details of the Trustees policy are set out in Section 4 (Investment Manager Arrangement, Engagement and Monitoring) of the SIP, which applies to the DB and DC Sections of the Plan.

DB

DC

How has this policy been met over the Plan Year?

No changes were made to the appointed investment managers during the Plan Year.

How has this policy been met over the Plan Year?

The funds are reviewed on a regular basis, supported by advice from the investment consultants. The Trustees may choose to remove a fund from the fund range, if it is no longer considered appropriate, and the fund range is reviewed on at least a triennial basis. No changes to the fund range were made during the Plan year.

Strategic Asset Allocation

Kinds of investments to be held, the balance between different kinds of investments and expected return on investments

DB	DC
<p>Policy</p> <p>The Trustees' policy on the kind of investments to be held and the balance between different kinds of investments can be found under Section 8 (Strategic investment benchmark and investment manager structure) of the SIP.</p>	<p>Policy</p> <p>The Trustees' policy on the kind of investments to be held and the balance between different kinds of investments can be found under Section 10 (Investment Objectives) and Section 11 (Investment Policies) of the SIP for the DC Section.</p> <p>For assets in respect of members' legacy AVCs, the relevant policy can be found under Section 9 (Additional Voluntary Contribution Assets) of the SIP.</p> <p>The Trustees recognise that members of the Plan have differing investment needs and believe that members should generally make their own investment decisions based on their individual circumstances. The Trustees make available a range of investment funds which enable members to construct a portfolio that meets their own needs. Meanwhile, the default lifestyle option is made available for members who may not believe themselves qualified to take investment decisions.</p>
<p>How has this policy been met over the Plan Year?</p> <p>No changes to the investment strategy were made over the Plan Year with the exception of the changes mentioned prior in regards to the LDI portfolio.</p> <p>The Trustees recognise the risk that may arise from a lack of diversification of investments. Subject to managing the risk from a mismatch of assets and liabilities, the Trustees aim to ensure the asset allocation policy in place results in an adequately diversified portfolio.</p>	<p>How has this policy been met over the Plan Year?</p> <p>The Trustees received the triennial investment strategy review in Q1 of 2022 with recommended changes to the default arrangement and the self-select range. These changes reflected the Trustees' ESG beliefs and the increased flexibility members have at retirement. The changes were implemented in H2 2022, and no further changes have been made since then. It is worth noting that currently, a majority of members are invested in the Plan's default strategy.</p>

Risks, including the ways in which risk are to be measured and managed

DB	DC
<p data-bbox="114 379 215 411">Policy</p> <p data-bbox="114 443 1088 611">The Trustees recognise a number of risks involved in the investment of the assets of the DB Section and that the choice and allocation of investments can help to mitigate these risks. Details of these risks and how they are measured and managed can be found under Section 6 (Risk and Return Targets) and Section 7 (Diversification of risks) of the SIP.</p> <p data-bbox="114 659 1099 794">The Trustees consider both quantitative and qualitative measures for a number of risks on an ongoing basis when deciding investment policies, strategic asset allocation, and the choice of asset classes, funds, and asset managers.</p> <p data-bbox="114 826 813 858">How has this policy been met over the Plan Year?</p> <p data-bbox="114 890 1111 1090">The Trustees agreed, following receipt of investment advice, to implement the LGIM Enhanced Service, which delegates the management of the Plan's LDI portfolio to LGIM. This provides a more efficient approach to manage the risks associated with liquidity requirements of the Plan's LDI portfolio and regularly monitors the hedge ratio, with LGIM taking any rebalancing action as appropriate.</p>	<p data-bbox="1126 379 1227 411">Policy</p> <p data-bbox="1126 443 2101 611">The Trustees recognise a number of risks involved in the investment of the assets of the DC Section and that the choice and allocation of investments can help to mitigate these risks. Details of these risks and how they are measured and managed can be found under Section 12 (Risk Management and Measurement).</p> <p data-bbox="1126 659 2089 794">In determining which investment options to make available the Trustees consider the investment risk associated with DC pension investment. The level of overall risk can be defined as the uncertainty over the ultimate amount of savings available on retirement.</p> <p data-bbox="1126 826 1821 858">How has this policy been met over the Plan Year?</p> <p data-bbox="1126 890 2112 1018">As detailed in the risk table in the SIP, the Trustees considers both quantitative and qualitative measures for these risks when deciding investment policies, strategic asset allocation, the choice of fund managers / funds / asset classes.</p>
<p data-bbox="114 1187 271 1219">DB and DC</p> <p data-bbox="114 1241 2085 1305">The Trustees maintain a register of key risks, including investment risks. This rates the impact and likelihood of the risks and identifies mitigating factors and additional actions taken. The risk register is reviewed at Trustees' meetings and the risk ratings adjusted as required.</p>	

Section 3

Engagement Activity by the Plan's Investment Managers

The following are examples of engagement activity undertaken by the Plan's investment managers.

LGIM Engages SK Hynix around the energy transition, and computing scope 3 emissions metrics

SK Hynix is a dominant firm in the memory chip industry; as such, LGIM believed they were a prime candidate for engagement to drive change in the sector. The company broadly supports climate actions and greenhouse gas emissions disclosure, and has shown a high-level of co-operation for looking to the energy transition away from fossil fuels.

However, LGIM identified that they continued to use unabated liquified natural gas, and have had limited engagement with climate policy in South Korea. As a result LGIM have started to engage with the company initially around scope 1 emissions, supplier and physical risk, as well as the extent and detail of the company's climate related disclosures. Such engagements began in late 2023, where LGIM engaged with the company's own ESG specialists.

As part of the engagement LGIM shared their own evaluation of their ESG performance to aid in their self-assessment and drive improvements. LGIM pushed for further disclosures on physical risks and supply chains, as well as challenging the company's path to reach its Scope 1 and 2 emission reduction goals.

Following this engagement with SK Hynix they have held an ESG seminar online to discuss the details of its recently published 2023 TCFD report. The company in LGIM's opinion has been receptive to its input through sharing the ESG performance. The company has also confirmed its intention to increase the depth of analysis and disclosure in physical and supplier risks, as well as taking a leadership role in climate advocacy, starting with developing a calculation methodology for Scope 3 emissions. LGIM plan to continue this engagement to capture any progress in the future, and hold the company to account.

LGIM engages with Nucor Corp

Nucor Corp, one of LGIM's 'dial-mover' companies, has announced a net-zero emissions commitment with interim targets and a published decarbonisation plan. Nucor is the largest steel producer in the US and among the top 20 in the world and steel is pivotal to the energy transition, being central to the auto industry and renewable energy infrastructure.

In a significant step, LGIM has acknowledged that corporate decisions are influenced by various factors. However, their engagements under the Climate Impact Pledge are guided by sector-specific guidelines and 'red lines', which include Nucor Corp's commitment to achieving net-zero operational emissions. In the 2023 Annual General Meeting, LGIM voted against the Chair of the company for failing to meet this 'red line' at the time.

Therefore, LGIM welcomes Nucor Corp's recent announcement of its commitment, interim targets, and plan. This is not the first instance where LGIM has witnessed a commitment from a company after voting against its Chair. In 2021, LGIM voted against the Chair due to a lack of emissions reduction targets, and the following year, the company established these targets, resulting in no sanctions from LGIM in 2022.

LGIM engages with Rolls Royce

Rolls Royce is a key engine supplier to the global aviation industry and holds strategic importance to the UK government as a significant employer and partner in decarbonisation efforts.

LGIM has an existing relationship with the new Rolls Royce CEO, allowing for early engagement during his tenure. Discussions focused on the company's positioning for the climate transition and addressing near-term challenges, such as achieving an investment-grade credit rating. LGIM also conducted in-person meetings with the chair of the board to understand any institutional barriers to implementing necessary structural changes. Additionally, LGIM had two subsequent meetings with the CEO, both before and after the company's strategy day in November 2023.

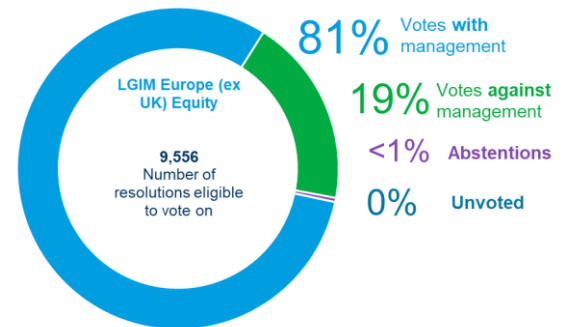
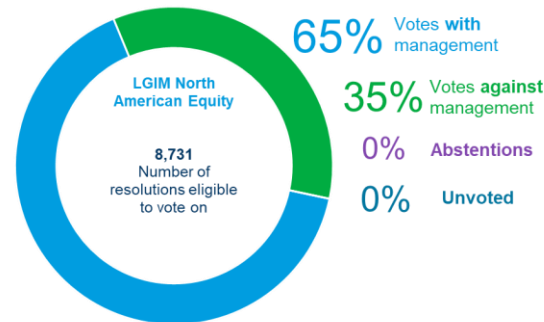
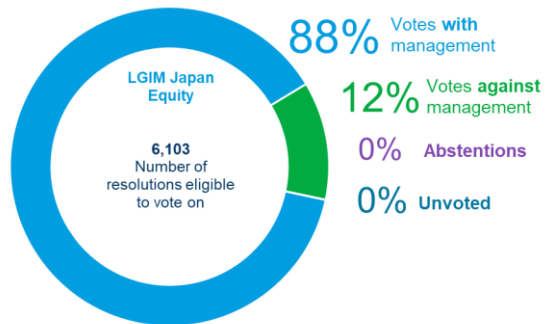
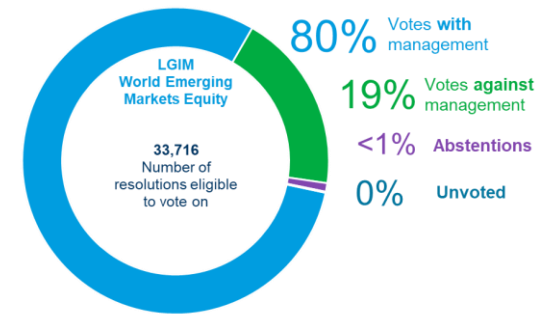
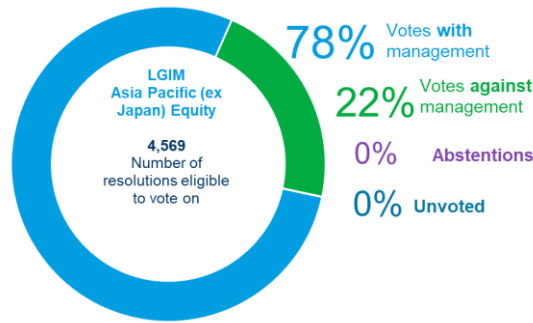
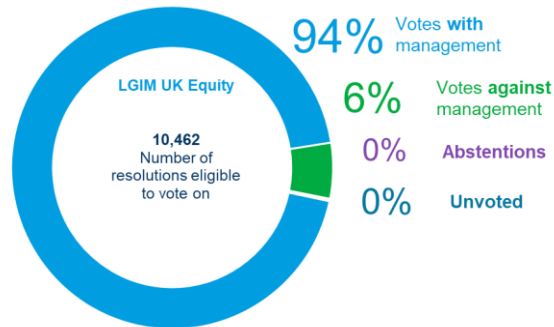
LGIM believes that Rolls Royce has been responsive to their communications and input regarding the strategic review. They are pleased with the well-balanced approach taken in the review, which includes radical structural and cultural changes while still allowing the company to actively participate in the carbon transition. The market has positively received the strategic review. LGIM intends to maintain engagement with the company to ensure the implementation of the review's findings and its role in the long-term carbon transition.

Section 4

Voting Activity during the Plan year

DB Section

Set out below is a summary of voting activity for this reporting period relating to the relevant strategies in the DB Section of the Plan. The voting data covers the period from 1 April 2023 to 31 March 2024.



Most significant votes

A “Significant Vote” is defined as one that is related to the Plan’s beliefs and stewardship priorities, which refers to voting in relation to climate change or broader environmental impact; board diversity and reduction in water and waste. The votes included below are those that the Trustees believe to be the most significant based on the **Trustees’ beliefs and stewardship priorities**, and represent the top 3 companies’ approximate holding size as at the date of the vote, for the funds where data is available. The most significant vote per company, based on alignment with the Trustees’ priorities has been included.

✗ Resolution not passed ✓ Resolution passed

Fund	% of fund	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
UK Equity Index Fund	7.0	Shell Plc	23/05/2023	Approve the Shell Energy Transition Progress	Against	A vote against was applied, though not without reservations. LGIM acknowledge the substantial progress made by the company in meeting its 2021 climate commitments and welcome the company’s leadership in pursuing low carbon products. However, LGIM remain concerned by the lack of disclosure surrounding future oil and gas production plans and targets associated with the upstream and downstream operations; both of these are key areas to demonstrate alignment with the 1.5°C trajectory.	✓	The Trustees have deemed votes related to climate change to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position and monitor company and market level progress.

Fund	% of fund	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
UK Equity Index Fund	2.4	Glencore Plc	26/05/2023	Resolution in Respect of the Next Climate Action Transition Plan	For	In 2021, Glencore made a public commitment to align its targets and ambition with the goals of the Paris Agreement. However, it remains unclear how the company's planned thermal coal production aligns with global demand for thermal coal under a 1.5°C scenario. Therefore, LGIM has co-filed this shareholder proposal (alongside Ethos Foundation) at Glencore's 2023 AGM, calling for disclosure on how the company's thermal coal production plans and capital allocation decisions are aligned with the Paris objectives.	✗	The Trustees have deemed votes related to climate change to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position and monitor company and market level progress.
UK Equity Index Fund	1.2	Experian Plc	19/07/2023	Re-elect Mike Rogers as Director	Against	A vote against is applied due to the lack of gender diversity at executive officer level. LGIM expects executives' officers to include at least 1 female.	✓	The Trustees have deemed votes related to diversity to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position and monitor company and

Fund	% of fund	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
									market level progress.
Asia Pacific (ex Japan) Equity Index Fund	2.1	National Australia Bank Limited	15/12/2023	Approve Transition Plan Assessments	For	A vote in favour is applied as LGIM expect companies to be taking sufficient action on the key issue of climate change. While LGIM acknowledge the company's disclosures on sector policies and emissions reduction targets in this regard, they believe that additional reporting on how this is assessed in practice and any timelines associated with this in light of the company's existing commitments is considered beneficial to shareholders.	Withdrawn	The Trustees have deemed votes related to climate change to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position and monitor company and market level progress.

Fund	% of fund	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
Asia Pacific (ex Japan) Equity Index Fund	1.8	Westpac Banking Corp.	14/12/2023	Approve Westpac Climate Change Position Statement and Action Plan	Against	LGIM voted against this proposal as they expect companies to introduce credible transition plans, consistent with the Paris goals of limiting the global average temperature increase to 1.5°C. While LGIM positively note the company's net-zero commitments and welcome the opportunity to voice their opinion on the bank's climate transition plan, LGIM highlight some concerns with the scope of targets and disclosures.	✓	The Trustees have deemed votes related to climate change to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position and monitor company and market level progress.
Asia Pacific (ex Japan) Equity Index Fund	1.5	Woodside Energy Group Ltd	28/04/2028	Re-elect Mr Ian Macfarlane as a director	Against	The rationale for LGIM's intention to vote against the most senior director up for re-election, Mr Ian Macfarlane, reflects their concerns around the company's lack of commitment to aligning with the Paris objectives and net zero, and the insufficient reaction to the significant proportion of shareholder votes against their climate	✓	The Trustees have deemed votes related to climate change to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position and monitor company and market level progress.

Fund	% of fund	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
						report (49%) in the 2022 AGM.			
World Emerging Markets Equity Index Fund	4.2	Tencent Holdings Limited	17/05/2023	Elect Jacobus Petrus (Koos) Bekker as Director	Against	A vote against was applied as LGIM believed the company is deemed to not meet minimum standards with regard to climate risk management.	✓	The Trustees have deemed votes related to climate change to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position and monitor company and market level progress.
World Emerging Markets Equity Index Fund	1.0	China Construction Bank Corporation	29/06/2023	Elect Tian Guoli as Director	Against	A vote against was applied as LGIM believed the company is deemed to not meet minimum standards with regard to climate risk management.	n/a*	The Trustees have deemed votes related to climate change to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position and monitor company and market level progress.
Japan Equity Index Fund	4.2	Toyota Motor Corp.	14/06/2023	Amend Articles to Report on Corporate Climate	For	LGIM views climate lobbying as a crucial part of enabling the transition to a net zero economy. A vote for this	✗	The Trustees have deemed votes related to climate	LGIM will continue to engage with their investee

Fund	% of fund	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
				Lobbying Aligned with Paris Agreement		proposal is warranted as LGIM believes that companies should advocate for public policies that support global climate ambitions and not stall progress on a Paris-aligned regulatory environment. LGIM acknowledge the progress that Toyota Motor Corp has made in relation to its climate lobbying disclosure in recent years. However, they believe that additional transparency is necessary with regards to the process used by the company to assess how its direct and indirect lobbying activity aligns with its own climate ambitions, and what actions are taken when misalignment is identified.		change to be a significant vote.	companies, publicly advocate their position and monitor company and market level progress.
Japan Equity Index Fund	2.0	Mitsubishi UFJ Financial Group, Inc.	29/06/2023	To amend the articles of incorporation to publish a transition plan to align lending and investment portfolios with	For	LGIM continue to consider that decarbonisation of the banking sector and its clients is key to ensuring that the goals of the Paris Agreement are met. A group of climate-focused NGOs has been active in this area in the	×	The Trustees have deemed votes related to climate change to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position and

Fund	% of fund	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
				the Paris Agreement		Asian market for a number of years, resulting in the first climate-related proposal of its type at Mizuho ahead of its 2020 AGM. LGIM since has supported previous resolutions at each of these Japanese banks at their AGMs since 2020, and they have found that these proposals and the ensuing shareholder dialogue has helped drive improved disclosures and tighter policies at the companies.			monitor company and market level progress.
Japan Equity Index Fund	1.6	Daiichi Sankyo Co., Ltd.	19/06/2023	Elect Director Manabe, Sunao	Against	LGIM voted against the proposal due to the lack of meaningful diversity on the board.	n/a*	The Trustees have deemed votes related to diversity to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position and monitor company and market level progress.
North America Equity	2.3	NVIDIA Corporation	22/06/2023	Elect Director Stephen C. Neal	Against	A vote against is applied as LGIM expects a company to have at least one-third women on the board.	✓	The Trustees have deemed votes related to diversity	LGIM will continue to engage with their investee

Fund	% of fund	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
Index Fund								to be a significant vote.	companies, publicly advocate their position and monitor company and market level progress.
North America Equity Index Fund	1.1	Tesla, Inc.	16/05/2023	Elect Director Robyn Denholm	Against	A vote against is applied as LGIM expects a company to have at least one-third women on the board.	✓	The Trustees have deemed votes related to diversity to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position and monitor company and market level progress.
North America Equity Index Fund	1.1	Exxon Mobil Corporation	31/05/2023	Shareholder resolution calling for a Report on Asset Retirement Obligations Under IEA Net Zero Emissions Scenario	For	Together with CBIS, LGIM co-filed a shareholder resolution asking for more transparency on the retirement costs of Exxon's asset base. In LGIM's view, this is a highly relevant and financially material matter, and by filing this proposal LGIM are seeking greater clarity into the potential costs	✗	The Trustees have deemed votes related to climate change to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position and monitor company and

Fund	% of fund	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
						Exxon may incur in the event of an accelerated energy transition.			market level progress.
Europe (ex UK) Equity Index Fund	2.2	Novartis AG	05/03/2024	Re-elect Joerg Reinhardt as Director and Board Chair	For	LGIM voted for the resolution following engagement with the company.	✓	The Trustees have deemed votes related to diversity to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position and monitor company and market level progress.
Europe (ex UK) Equity Index Fund	1.7	TotalEnergies SE	26/05/2023	Approve the Company's Sustainable Development and Energy Transition Plan	Against	LGIM recognise the progress the company has made with respect to its net zero commitment, specifically around the level of investments in low carbon solutions and by strengthening its disclosure. However, LGIM remain concerned of the company's planned upstream production growth in the short term, and the absence of further details on how such plans are consistent with the 1.5C trajectory.	✓	The Trustees have deemed votes related to climate change to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position and monitor company and market level progress.

Fund	% of fund	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
Europe (ex UK) Equity Index Fund	1.4	Sanofi	25/05/2023	Elect Frederic Oudea as Director	Against	LGIM expects a company to have a diverse board, with at least 40% of board members being women. LGIM expect companies to increase female participation both on the board and in leadership positions over time.	✓	The Trustees have deemed votes related to diversity to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position and monitor company and market level progress.

LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with their investee companies in the three weeks prior to an AGM as their engagement is not limited to shareholder meeting topics.

Source: LGIM

* Result of vote not provided by LGIM

DC Section

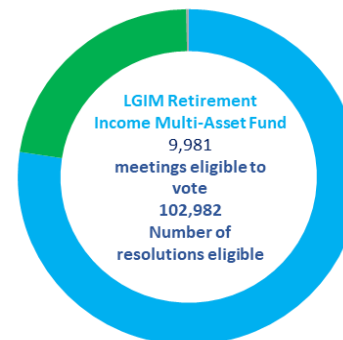
Set out below is a summary of voting activity for this reporting period relating to the relevant strategies in the DC Section of the Plan. Funds where voting is not applicable are not included in the list below. With the exception of certain legacy AVCs, all DC investments are managed by LGIM.



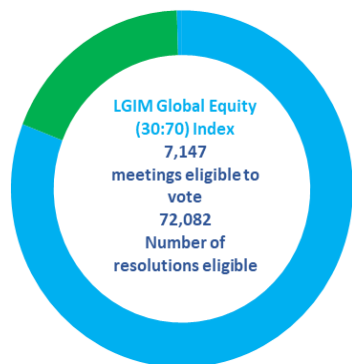
77% Votes with management
23% Votes against management
<0% Abstentions
0% Unvoted



80% Votes with management
19% Votes against management
<0% Abstentions
0% Unvoted



77% Votes with management
22% Votes against management
<0% Abstentions
0% Unvoted



81% Votes with management
19% Votes against management
<0% Abstentions
0% Unvoted

Source: LGIM. The total of resolutions voted with management, against management and abstained might not sum to 100%

Overview of LGIM Approach to Voting and Engagement:

LGIM's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and LGIM do not outsource any part of the strategic decisions. To ensure LGIM proxy provider votes in accordance with LGIM position on ESG, LGIM have put in place a custom voting policy with specific voting instructions.

All decisions are made by LGIM's Investment Stewardship team and in accordance with LGIM 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.

Most significant votes

A "Significant Vote" is defined as one that is related to the Plan's beliefs and stewardship priorities, which refers to voting in relation to one of the following:

- climate change or broader environmental impact;
- board diversity;
- reduction in water and waste;

and/or it is a significant because of the size of the Plan's holdings portfolio. Trustees are to include details on why a vote is considered significant and rationale for voting decision. The votes included below are those that the Trustee believe to be the most significant based on the **Trustee's beliefs and stewardship priorities**, and represent the **top 3 companies by approximate holding size** as at the date of the vote, for the funds where data is available. The most significant vote per company, based on alignment with the Trustees' priorities has been included.

✗ Resolution not passed ✓ Resolution passed

Fund	Portion of the fund (%)	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
LGIM Future World Global Equity Index Fund	5.67%	Microsoft Corporation	7 December 2023	Elect Director Satya Nadella	Against	A vote against is applied as LGIM expects companies to separate the roles of Chair and CEO due to risk management and oversight concerns.	✓	The Trustees have deemed votes related to board diversity to be a significant vote.	LGIM will continue to monitor the board's response to the relatively high level of support received for this resolution.
LGIM Equity Market Weights (30:70) Index Fund	2.90%								
LGIM Diversified Fund	0.38%								

Fund	Portion of the fund (%)	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
LGIM Retirement Income Multi-Asset Fund	0.25%								
LGIM Future World Global Equity Index Fund	4.51%	Apple Inc.	28 February 2024	Report on Risks of Omitting Viewpoint and Ideological Diversity from EEO* Policy	Against	A vote against this proposal is warranted, as the company appears to be providing shareholders with sufficient disclosure around its diversity and inclusion efforts and non-discrimination policies, and including viewpoint and ideology in EEO policies does not appear to be a standard industry practice.	✗	The Trustees have deemed votes related to climate change to be a significant vote.	LGIM will continue to monitor the board's response to the relatively high level of support received for this resolution.
LGIM Equity Market Weights (30:70) Index Fund	2.73%								
LGIM Diversified Fund	0.39%								
LGIM Retirement Income Multi-Asset Fund	0.24%								
LGIM Equity Market Weights (30:70) Index Fund	2.11%	Shell	23 May 2023	Approve the Shell Energy Transition Progress	Against	LGIM acknowledges the significant progress made by the company in meeting its 2021 climate commitments and appreciates its efforts in developing low carbon products. However, LGIM expresses concerns about	✓	The Trustees have deemed votes related to climate change to be a	LGIM will continue to monitor the board's response to the relatively high level of support received
LGIM Diversified Fund	0.30%								

Fund	Portion of the fund (%)	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
LGIM Future World Global Equity Index Fund	0.2%					the company's lack of disclosure regarding future oil and gas production plans and targets related to upstream and downstream operations. They believe that transparency in these areas is crucial to demonstrate alignment with the goal of limiting global warming to 1.5°C.		significant vote.	for this resolution.
LGIM Retirement Income Multi-Asset Fund	0.16%								
LGIM Future World Global Equity Index Fund	2.06%	NVIDIA Corporation	22 June 2023	Elect Director Stephen C. Neal	Against	A vote against is applied as LGIM expects a company to have at least one-third women on the board. A vote against is also 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.	✗	The Trustees have deemed votes related to board diversity to be a significant vote.	LGIM will continue to monitor the board's response to the relatively high level of support received for this resolution.
LGIM Equity Market Weights (30:70) Index Fund	1.03%								
LGIM Diversified Fund	0.13%								
LGIM Retirement Income Multi-Asset Fund	0.08%								
LGIM Diversified Fund	0.42%	Prologis, Inc.	4 April 2023	Elect Director	Against	A vote against is applied as LGIM expects a company to	✓	The Trustees have	LGIM will continue to

Fund	Portion of the fund (%)	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
LGIM Retirement Income Multi-Asset Fund	0.34%			Jeffrey L. Skelton		have at least one-third women on the board. Regarding the average board tenure LGIM expects a board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background. Additionally, vote against is applied as the company has an all-male Executive Committee.		deemed votes related to board diversity to be a significant vote.	monitor the board's response to the relatively high level of support received for this resolution.
LGIM Future World Global Equity Index Fund	0.23%								
LGIM Equity Market Weights (30:70) Index Fund	0.13%								

LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with their investee companies in the three weeks prior to an AGM as their engagement is not limited to shareholder meeting topics.

Source: LGIM

*Equal Employment Opportunity