Marshall Group Executive Pension Plan

Implementation Statement for the year ended 05 April 2022

Introduction

This implementation statement has been prepared by the Trustees of the Marshall Group Executive Pension Plan (the "Plan"). The Plan provides benefits on both a defined benefit (DB) and defined contribution (DC) basis.

The statement:

- sets out how, and the extent to which, the policies set out in the Statement of Investment Principles (the SIP) have been followed during the year;
- describes any review of the SIP, including an explanation of any changes made; and
- describes the voting behaviour by, or on behalf of, the Trustees over the same period.

The Trustees' policies contained in the SIP are underpinned by their investor beliefs, which have been developed in consultation with their investment consultant.

Trustee's overall assessment

In the opinion of the Trustees, the policies as set out in the SIP have been followed during the year ended 5 April 2022.

Review of the SIP

The Trustees' policies have been developed over time by the Trustees in conjunction with their investment consultant and are reviewed and updated periodically and at least every three years.

Both the DB and DC SIPS were reviewed during the Plan year to include the changes to the investment arrangements, which were agreed in August 2021 for the DC section and February 2022 for the DB section.

Policy in relation to the kinds of investments to be held

The Trustees have given full regard to their investment powers as set out in the Trust Deed and Rules and have considered the attributes of the various asset classes when deciding the kinds of investments to be held. The Plan invests in pooled funds, other collective investment vehicles and cash, to manage costs, diversify investments and improve liquidity.

The Trustees consider all of the stated classes of investment to be suitable to the circumstances of the Plan.

Investment strategy and objectives

Investment strategy (DB Section)

The investment strategy for the Plan is based on an analysis of its liability profile, the required investment return and the returns expected from the various asset classes over the long-term. The Trustees also agreed to de-risk the assets over time, and develop a 'journey pan' to move towards the long-term funding target by 2030.The Trustees review this investment strategy and the asset allocation as part of each triennial actuarial valuation. The Trustees may also reconsider the asset allocation and the investment strategy outside the triennial valuation period where necessary.

Policy in relation to the balance between various kinds of investments and the realisation of investments (DB Section)

The appointed investment managers hold a diversified mix of investments that correspond to the strategic benchmark. Within each major market each manager maintains a diversified portfolio of stocks or funds through pooled vehicles.

Policy in relation to the expected return on investments (DB Section)

The investment strategy is believed to be capable of exceeding, in the long run, the overall required rate of return assumed in the Plan Actuary's published actuarial valuation report in order to reach a fully funded status under the agreed assumptions.

Investment strategy (DC Section)

The Plan provides members in the DC Section with a range of funds in which to invest together with a default strategy from which to make their investment choices. Whilst the Trustees believe the chosen default option is a reasonable choice for a lot of the membership, ultimately each member should take into account their own personal circumstances when determining whether the default option or an alternative strategy would best meet their needs.

The objective of the default option is to provide a balanced investment strategy for members who do not make an active investment choice. The strategy aims to maximise the level of return (net of fees) that a member could expect to receive from the Plan over the course of their working lifetime, while reducing the risk of them having income provision in retirement significantly below what may reasonably be expected. The objective of the alternative investment options available is to allow members to tailor their investments based on their individual investment requirements, while avoiding complexity. The range should assist members in achieving the following:

- maximising the value of retirement benefits, to ensure a reasonable standard of living in retirement;
- protecting the value of benefits in the years approaching retirement against equity market falls and (should they decide to purchase an annuity) fluctuations in annuity costs; and
- tailoring a member's investments to meet his or her own needs.

In considering these factors, the Trustees believe they have complied with the SIP regarding investment strategy considerations

Policy in relation to the balance between various kinds of investments and the realisation of investments (DC Section)

The investment managers maintain a diversified portfolio of securities within each of the funds offered to members under the Plan (both within the default and self-select options). In addition, the design of the default strategy provides further diversification through the use of multiple funds throughout a member's working lifetime.

Under normal market conditions the Trustees expect to be able to realise investments within a reasonable timescale although there remains the risk that certain assets may become less liquid in times of market stress.

Policy in relation to the expected return on investments (DC Section)

The default option is expected to provide an appropriate return on members' investments, based on the Trustees' understanding of the Plan's membership and having taken into account the risk considerations set out in the SIP. The Trustees have also considered the return expectations of each of the alternative fund options offered.

Risk capacity and risk appetite

Policy in relation to risks (DB Section)

Although the Trustees acknowledge that the main risk is that the Plan will have insufficient assets to meet its liabilities, the Trustees recognise other contributory risks, including the following. Namely the risk:

- associated with the differences in the sensitivity of asset and liability values to changes in financial and demographic factors,
- of the Plan having insufficient liquid assets to meet its immediate liabilities,
- of the investment managers failing to achieve the required rate of return.
- due to the lack of diversification of investments, and
- of failure of the Plan's Sponsoring Employer to meet its obligations.

The Trustees manage and measure these risks on a regular basis via actuarial and investment reviews, and in the setting of investment objectives and strategy.

Policy in relation to risks (DC Section)

The Trustees have considered risk from a number of perspectives. These are the risk that:

- the investment return over members' working lives will not keep pace with inflation and does not, therefore, secure an adequate retirement income,
- investment market movements in the period prior to retirement lead to a substantial reduction in the anticipated level of pension or other retirement income,
- investment market movements in the period just prior to retirement lead to a substantial reduction in the anticipated tax-free cash, or other cash lump sum benefit,
- the default option is not suitable for members who invest in it, and
- fees and transaction costs reduce the return achieved by members by an inappropriate extent.

The investment strategy for the default option has been chosen with the aim of reducing these risks. The self-select funds available have been chosen to provide members with the flexibility to address these risks for themselves.

To help address these risks, the Trustees also review the default option used and the fund range offered at least every three years, taking into account changes to the membership profile, developments within DC markets (including both product development and trends in member behaviour) and changes to legislation.

Stewardship in relation to the Plan assets

Policies in relation to investment manager arrangements

The Plan's assets are invested in pooled funds which have their own policies and objectives and charge a fee, set by the investment manager, for their services. The Trustees have very limited to no influence over the objectives of these funds or the fees they charge (although fee discounts can be negotiated in certain circumstances).

There have been changes to the benchmark/objectives of the funds in which the Plan invests over the year: the Plan fully disinvested from LGIM Over 15yr Index-Linked Gilts Fund holdings in October 2021 and invested in three LGIM Matching Core LDI funds.

The Trustees, in conjunction with their investment consultant, has introduced a process to obtain and review the investment holding turnover costs incurred on the pooled funds used by the Plan on an annual basis.

In addition, the Trustees receive information on any trading costs incurred as part of asset transfer work within either the DB or the DC Section, as and when these occur. The exercise is only undertaken if the expected benefits outweigh the expected costs.

The investment managers have invested the assets within their portfolio in a manner that is consistent with the guidelines and constraints set out in their appointment documentation. In return the Trustees have paid their investment managers a fee which is a fixed percentage of assets under management. One manager also charges a performance fee.

The investment consultant has reviewed and evaluated the investment managers on behalf of the Trustees, including performance reviews, manager oversight meetings and operational due diligence reviews.

Investment manager monitoring and changes

During the year the Trustees received three reports from the investment consultant examining the performance of the pooled funds used for the DC section, and one annual report from examining the performance of the pooled funds used for the DB section.

There have been no changes to the Plan's existing investment manager arrangements.

Stewardship of investments

The Trustees have a fiduciary duty to consider its approach to the stewardship of the investments, to maximise financial returns for the benefit of members and beneficiaries over the long term. The Trustees can promote an investment's long-term success through monitoring, engagement and/or voting, either directly or through the investment managers.

The Trustees expect their investment managers, where appropriate, to have taken account of financial material considerations, including environmental, social and governance (ESG) factors as part of their investment analysis and decision-making process.

The Trustees consider from time to time whether to take account of non-financial matters. The Trustees also received the following additional training over the period:

Date	Provider	Subject

06/05/2021 – 05/04/2022	Buck	Cashflow centred investing training

Stewardship - monitoring and engagement

The Trustees recognise that investment managers' ability to influence the companies in which they invest will depend on the nature of the investment.

The Trustees' policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment managers and to encourage the managers to exercise those rights. The investment managers for the DB Section are expected to provide regular reports for the Trustees detailing their voting activity. This is not done for the DC Section assets due to the investment platform structure used.

The Trustees also delegate responsibility for engaging and monitoring investee companies to the investment managers and they expect the investment managers to use their discretion to maximise financial returns for members and others over the long term.

Since all of the investments are held in pooled vehicles, the Trustees do not envisage being directly involved with peer-to-peer engagement in investee companies.

Investment manager engagement policies

The Plan's investment managers are expected to have developed and publicly disclosed an engagement policy. This policy, amongst other things, provides the Trustees with information on how each investment manager engages in dialogue with the companies it invests in and how it exercises voting rights. It also provides details on the investment approach taken by the investment manager when considering relevant factors of the investee companies, such as strategy, financial and non-financial performance and risk, and applicable social, environmental and corporate governance aspects.

Links to each investment manager's engagement policy or suitable alternative is provided in the Appendix.

The latest available information provided by the investment managers (for mandates that contain public equities or bonds) is as follows:

Engagement	SL iShares UK Equity Index	Vontobel Global Equity	LGIM UK Equity Index
Period	01/04/2021 – 31/03/2022	01/01/2021 – 31/12/2021	01/04/2021 – 31/03/2022
Engagement definition	Purposeful, targeted communication with an entity (e.g. company, government, industry body, regulator) on particular matters of concern with the goal of encouraging change at an individual issuer and/or the goal of addressing a market-wide or system risk (such as climate). Regular communication to gain information as part of ongoing research should not be counted as engagement.		
Number of companies engaged with over the year	2,908	20	147

Number of engagements over the year	1,829	40	244

	LGIM AAA-AA-A Corporate Bond All Stocks Index	Insight Broad Opportunities Fund
Period	01/04/2021 – 31/03/2022	31/03/2021 – 31/03/2022
Engagement definition	Purposeful, targeted communication with an entity (e.g. company, government, industry body, regulator) on particular matters of concern with the goal of encouraging change at an individual issuer and/or the goal of addressing a market-wide or system risk (such as climate). Regular communication to gain information as part of ongoing research should not be counted as engagement.	
Number of companies engaged with over the year	54	The Fund follows a global macro approach targeting long-term growth through dynamic asset allocation across a broad range of asset classes, much of the Fund's exposure is taken through derivative instruments. Please note the Fund currently holds 11 direct investment positions. During the 12 months to 31 March 2022, we engaged with 14 entities including all of the Fund's direct investment positions. We also actively engage with index product providers on issues, such as exclusion criteria. The Fund's index based ESG exposures typically limit exposures to tobacco, controversial weapons, thermal coal and companies not in compliance with the UN Global Compact.
Number of engagements over the year	129	In relation to portfolio's infrastructure holdings, we undertook 28 engagements including 3 with companies not held in the portfolio during the 12 months to 31 March 2022.

Exercising rights and responsibilities

The Trustees recognise that different investment managers should not be expected to exercise stewardship in an identical way, or to the same intensity.

The investment managers are expected to disclose annually a general description of their voting behaviour, an explanation of the most significant votes cast and report on the use of proxy voting advisers.

The investment managers use proxy advisers for the purposes of providing research, advice or voting recommendations that relate to the exercise of voting rights.

The Trustees do not carry out a detailed review of the votes cast by or on behalf of their investment managers but rely on the requirement for their investment managers to provide a high-level analysis of their voting behaviour.

The Trustees consider the proportion of votes cast, and the proportion of votes against management and believe this to be an important (but not the only) consideration of investor behaviour.

The latest available information provided by the investment managers (for mandates that contain public equities) is as follows:

Voting behaviour			
	SL iShares UK Equity Index	**LGIM UK Equity Index**	**Vontobel Global Equity**
Period	01/07/2021 – 30/06/2022	01/04/2021 – 31/03/2022	01/04/2021 – 31/03/2022
Number of meetings eligible to vote at	1,159	772	65
Number of resolutions eligible to vote on	15,362	10,813	827
Proportion of votes cast	96%	100.0%	100.0%
Proportion of votes for management	94%	93.1%	86.0%
Proportion of votes against management	5%	6.9%	14.0%
Proportion of resolutions abstained from voting on	1%	0.0%	0.0%

	Insight Broad Opportunities Fund
Period	31/03/2021 – 31/03/2022
Number of meetings eligible to vote at	12
Number of resolutions eligible to vote on	141
Proportion of votes cast	100%
Proportion of votes for management	99.3%
Proportion of votes against management	0.7%
Proportion of resolutions abstained from voting on	0.0%

Trustee engagement

The Trustees recognise that engagement and voting policies, practices and reporting, will continue to evolve over time and are supportive of their investment managers being signatories to the United Nations' Principles for Responsible Investment and the Financial Reporting Council's UK Stewardship Code 2020.

Appendix

Links to the Engagement Policies for each of the investment managers can be found here:

Investment manager	Engagement Policy (or suitable alternative)
Legal & General Investment Management	https://www.lgim.com/landg-assets/lgim/_document-library/capabilities/lgim-engagement-policy.pdf
Insight Investment Management	https://www.insightinvestment.com/globalassets/documents/responsible-investment/stewardship-code/stewardship-code.pdf
Vontobel	https://am.vontobel.com/en/insights/esg-investment-policy-and-integration
Barings	https://bwebprod.azureedge.net/assets/user/media/Barings-Public-Equities-ESG-Integration-Active-Engagement-Policy.pdf
Aberdeen Standard Life	https://www.aberdeenstandard.com/docs?editionid=33888ea5-5f5e-4873-8a69-efc6753e5401
BlackRock Investment Management	https://www.blackrock.com/corporate/about-us/investment-stewardship
Friends Life	https://www.avivainvestors.com/en-gb/about/responsible-investment/
HSBC	https://www.assetmanagement.hsbc.co.uk/en/institutional-investor/about-us/responsible-investing/policies
Newton Investment Management	https://www.newtonim.com/uk-institutional/responsible-investment/
Stewart Investors	https://www.stewartinvestors.com/content/dam/stewartinvestors/global-assets/company-policies/si-corporate-engagement-policy-sep-2020-final.pdf
Vanguard	https://global.vanguard.com/documents/Vanguard-Engagement-Statement.pdf
Aegon	https://www.aegonam.com/globalassets/aam/responsible-investment/documents/aegon-am-active-ownership-policy.pdf

Information on the most significant votes for each of the funds containing public equities is shown below.

SL iShares UK Equity Index	**Vote 1**	**Vote 2**	**Vote 3**
Company name	Royal Dutch Shell Plc	Glencore Plc	Rio Tinto Plc
Date of Vote	24/05/2022	28/04/2022	08/04/2022
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	N/A	N/A	N/A
Summary of the resolution	Accept Financial Statements and Statutory Reports	Accept Financial Statements and Statutory Reports	Accept Financial Statements and Statutory Reports
How the fund manager voted	For	For	For
Where the fund manager voted against management, did they communicate their intent to the company ahead of the vote	N/A	N/A	N/A
Rationale for the voting decision	N/A	N/A	N/A
Outcome of the vote	Pass	Pass	Pass
Implications of the outcome	N/A	N/A	N/A
Criteria on which the vote is assessed to be "most significant"	Vote Bulletin	Vote Bulletin	Vote Bulletin

Vontobel Global Equity Fund	**Vote 1**	**Vote 2**	**Vote 3**
Company name	Amazon.com, Inc.	Flutter Entertainment Plc	Mastercard Inc

Date of Vote	26/05/2021	29/04/2021	22/06/2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	4.6%	2.7%	4.1%
Summary of the resolution	Require independent Chair of the Board	Approve Remuneration Report	Advisory Vote to Ratify Named Executive Officers' Compensation
How the fund manager voted	Against	For	Against
Where the fund manager voted against management, did they communicate their intent to the company ahead of the vote	No	No	No
Rationale for the voting decision	While we generally favour a separation of Chair and CEO roles (as we believe there is a structural benefit for shareholders if there are two senior roles with companies: a Chair, who ultimately reports to shareholders, and CEO who reports to the board), for Amazon, CEO Jeff Bezos has already indicated he will step down as CEO and hand it over to Andy Jassy. We believe it is in the shareholders' best interest that Mr. Bezos is Chair to provide strategic direction given his track record. Further,	We received a detailed explanation from Flutter regarding the remuneration policy and agreed with their rationale.	A vote against this proposal is warranted given significant concerns regarding compensation adjustments relating to COVID-19. Performance goals were adjusted for the annual incentive and the 2018 closing-cycle performance shares. Originally, both awards would have been earned below target, but the modifications resulted in target pay-outs. Although some investors have expressed a degree of flexibility regarding adjustments to short-term awards, adjustments to

	he will be needed to provide a guide to Mr. Jassy as he steps in the CEO role.		closing-cycle equity awards are not viewed as an appropriate reaction to COVID-19-related disruptions.
Outcome of the vote	Fail	Pass	Pass
Implications of the outcome	The vote only garnered 15% of the votes, Jeff Bezos (CEO/Chair) stepped down from his CEO role and became Executive Chairman in July 2021. Mr. Andy Jassy, who is head of the Amazon Web Services (AWS) business, took over as CEO.	A clear explanation and logic around executive remuneration is important for shareholders to make effective decisions.	The proposal passed but received 25% of dissent votes.
Criteria on which the vote is assessed to be "most significant"	Weight in portfolio / Weight of float held (across the Quality Growth boutique) / impact of vote on company sustainability/value	Weight in portfolio / Weight of float held (across the Quality Growth boutique) / impact of vote on company sustainability/value	Weight in portfolio / Weight of float held (across the Quality Growth boutique) / impact of vote on company sustainability/value

LGIM UK Equity Index	**Vote 1**	**Vote 2**	**Vote 3**
Company name	Informa Plc	The Sage Group Plc	JD Sports Fashion Plc
Date of Vote	03/06/2021	03/02/2022	01/07/2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.34%	0.30%	0.18%
Summary of the resolution	Resolution 3, Re-elect Stephen Davidson as Director Resolution 5,	Resolution 11 - Re-elect Drummond Hall as Director	Resolution 4 - Re-elect Peter Cowgill as Director

	Re-elect Mary McDowell as Director Resolution 7, Re-elect Helen Owers as Director Resolution 11, Approve Remuneration Report		
How the fund manager voted	Against Resolutions 3, 5, 7, and 11 (against management recommendation).	Against	Against
Where the fund manager voted against management, did they communicate their intent to the company ahead of the vote	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.		
Rationale for the voting decision	The company's prior three Remuneration Policy votes – in 2018, June 2020, and at a General Meeting that was called in December 2020 – each received high levels of dissent, with 35% or more of votes cast against. At the December 2020 meeting, the Remuneration Policy and the Equity Revitalisation Plan (EVP) received over 40% of votes against. The EVP was structured to award the CEO restricted shares to a value of 600% of salary. LGIM has noted our concerns with the company's remuneration practices for many	Diversity: A vote against is applied because of a lack of progress on gender diversity on the board. LGIM expects boards to have at least one-third female representation on the board.	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 we have supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 we have voted against all combined board chair/CEO roles. Furthermore, we have published a guide for boards on the separation of the roles of chair and CEO (available on our website), and we have reinforced our

	years. Due to continued dissatisfaction, we again voted against the proposed Policy at the December 2020 meeting. However, despite significant shareholder dissent at the 2018 and 2020 meetings, the company implemented the awards under the plan, a few weeks after the December meeting. Additionally, the Remuneration Committee has adjusted the performance conditions for the FY2018 long-term incentive plan (LTIP) awards while the plan is running, resulting in awards vesting where they would otherwise have lapsed. Due to consistent problems with the implementation of the company's Remuneration Policy and the most recent events as described above, LGIM has voted against the Chair of the Remuneration Committee for the past three years. Given the company has implemented plans that received significant dissent from shareholders without addressing persistent concerns,		position on leadership structures across our stewardship activities – e.g. via individual corporate engagements and director conferences.

	LGIM has taken the decision to escalate our vote further to all incumbent Remuneration Committee members, namely Stephen Davidson (Remuneration Committee Chair), Mary McDowell and Helen Owers.		
Outcome of the vote	Resolution 3 53.4% of shareholders supported the resolution. Resolution 5 80% of shareholders supported the resolution. Resolution 7 78.1% of shareholders supported the resolution. Resolution 11 38.3% of shareholders supported the resolution.	94.4%	84.8%
Implications of the outcome	LGIM will continue to seek to engage with the company and monitor progress.	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
Criteria on which the vote is assessed to be "most significant"	We consider this vote to be significant as LGIM took the rare step of publicly pre-declaring it before the shareholder meeting. Publicly pre-declaring our vote intention is an important tool for our engagement	LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.	LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO

	activities. We decide to pre-declare our vote intention for a number of reasons, including as part of our escalation strategy, where we consider the vote to be contentious, or as part of a specific engagement programme.		(escalation of engagement by vote).

Information on the most significant engagement case studies LGIM participated in during the year ending 31 December 2021 is shown below.

LGIM	**Case Study 1**	**Case Study 2**	**Case Study 3**
Name of entity engaged with	BP	Mcdonalds	Experian
Topic	Climate Transition	Antimicrobial resistance	Financial Inclusion
Rationale	LGIM work with the Institutional Investor Group on Climate Change (IIGCC) is a crucial part of their approach to climate engagement. IIGCC is a founding partner and steering committee member of Climate Action 100+ (CA100+), a global investor engagement initiative with 671 global investor signatories representing $65 trillion in assets that aims to speak as a united voice to companies about their climate transition plans. LGIM actively	The overuse of antimicrobials (including antibiotics) in human and veterinary medicine, animal agriculture and aquaculture, as well as discharges from pharmaceutical production facilities, is often associated with an uncontrolled release and disposal of antimicrobial agents. Put simply, antibiotics end up in their water systems, including their clean water, wastewater, rivers, and seas.38 This in turn potentially increases the prevalence of	Pay equality and fairness has been a priority for LGIM for several years. LGIM ask all companies to help reduce global poverty by paying at least the living wage, or the real living wage for UK based employees. Income inequality is a material ESG theme for LGIM because they believe there is a real opportunity for companies to help employees feel more valued and lead healthier lives if they are paid fairly. These are important steps to help lift lower-paid

	support the initiative by sitting on sub-working groups related to European engagement activities and proxy voting standards. They also co-lead several company engagement programmes, including at BP□* (ESG score: 27; -11) and Fortum□* (ESG score: 27; -11). UN SDG: 13 - Climate Action	antibiotic-resistant bacteria and genes, leading to higher instances of difficult-to-treat infections. In autumn 2021, LGIM worked again with Investor Action on AMR and wrote to the G7 finance ministers, in response to their Statement on Actions to Support Antibiotic Development. The letter highlighted investors' views on AMR as a financial stability risk. • A member of their team was on the expert committee for the 2021 AMR Benchmark methodology. The benchmark, which was launched in November 2021, evaluates 17 of the world's largest pharmaceutical companies on their progress in the fight against AMR. LGIM participated in a panel discussion on governance and stewardship around AMR. UN SDG 3 - Good Health & Wellbeing	employees out of in-work poverty. This should ultimately lead to better health, higher levels of productivity and result in a positive effect on communities. Global credit bureau Experian† (ESG score: 69; +9) has an important role to play as a responsible business for the delivery of greater social and financial inclusion UN SDG 8 - Decent work and economic growth
What the investment manager has done	LGIM engaged with BP's senior executives on six occasions in 2021 as they develop their climate transition	During 2021, LGIM voted on the issue of AMR. A shareholder proposal was filed at McDonald's† (ESG score: 62; +8) seeking	LGIM has engaged with the company on several occasions in 2021 and are pleased to see improvements made to its ESG

	strategy to ensure alignment with Paris goals.	a report on antibiotics and public health costs at the company. LGIM supported the proposal as they believe the proposed study, with its particular focus on systemic implications, will inform shareholders and other stakeholders on the negative implications of sustained use of antibiotics by the company	strategy, encompassing new targets, greater reporting disclosure around societal and community investment, and an increasing allocation of capital aligned to transforming financial livelihoods.
Outcomes and next steps	Following constructive engagements with the company, LGIM were pleased to learn about the recent strengthening of BP's climate targets, announced in a press release on 8 February 2022, together with the commitment to become a net-zero company by 2050 – an ambition LGIM expect to be shared across the oil and gas sector as they aim to progress towards a low-carbon economy. More broadly, their detailed research on the EU coal phase-out earlier this year reinforced their view that investors should support utility companies in seeking to dispose of difficult-to-close coal operations, but only where the disposal is	The hard work is just beginning. LGIM continues to believe that without coordinated action today, AMR may be the next global health event and the financial impact could be significant.	The latter includes the roll-out of Experian Boost, where positive data allows the consumer to improve their credit score, and Experian Go, which is hoped to enable access for more people. The company also launched the United for Financial Health project as part of its social innovation fund to help educate and drive action for those most vulnerable.

	to socially responsible, well-capitalised buyers, supported and closely supervised by the state. In their engagement with multinational energy provider RWE's senior management, for example, LGIM have called for the company to investigate such a transfer. LGIM think transfers like this could make the remaining transition focused companies more investable for many of their funds and for the market more generally.		

Information on the most significant engagement case studies for Vontobel at company level for the funds containing public equities or bonds as at 31 December 2021(latest available) is shown below:

Vontobel - Firm-level	**Case Study 1**	**Case Study 2**	**Case Study 3**
Name of entity engaged with	Taiwan Semiconductor Manufacturing Company Limited	ByteDance	Techtronic Industries
Topic	Environment - Natural resource use/impact (e.g. water, biodiversity)	Strategy, Financial and Reporting - Risk management (eg operational risks, cyber/information security, product risks)	Gender Diversity - Governance: Board effectiveness
Rationale	It is well known that semiconductor manufacturing is a	Share insights of risk with a pre-IPO company as a	Diversity not only brings the strongest minds to a task, but

	heavy consumer of energy, but it is a heavy user of fresh water as well. Semiconductor manufacturing requires a great deal of water for cooling, cleaning wafers and helping to maintain the high degree of cleanliness required in the manufacturing environment. As the largest logic chip maker in the world TSMC has a large footprint. Due to the nature of the semiconductor manufacturing process, water use, and water pollution is the biggest environmental factor relevant to the sustainability of the company's operations.	potentially investible business. Bytedance requested meeting. Our engagement rationale was to provide feedback to a global market leading company while still private to support their evolution. Bytedance, as owner of TikTok, has a vast following and billions of hours are spent using their sites annually. We believed the key ESG risks the company faced were similar to those faced by gaming companies: customer data security and addiction. This aligns with our policy of helping companies reduce the probability of risks turning into chronic problems. We are open to discussing and sharing insights or views with companies that could be deemed investible, even if pre-IPO. The risks of addiction from social media are not specified within a UN SDG; Goal 13 focuses on Good Health and Well-being, though it does not specify exposure to gambling, gaming or socially captivating services.	also different perspectives to decision-making. Our view is that a flowing and well managed meritocracy is of self-interest for shareholders. To that end, our Gender Diversity engagement is focused on boards where fewer than 10% of the directors are female. Our objective is to encourage increased diversity at the board level. We see ESG as an integral part of a long-term investment process, and our thematic engagements as a natural extension of this process. We believe diversity can add value to both shareholders and society. This aligns both with our investment philosophy, and our custom voting policy. The voting policy as of year-end 2021 will vote against Board Chairs and the Chair of the nominating committee for boards where less than 10% of the directors are female. This thematic engagement is directly connected to Goal 5, Gender

			Equality, of the UN Sustainable Development Goals.
What the investment manager has done	We discussed this topic in a call with the company's investor relations department. The engagement was led by the primary research analyst. There was no escalation.	This engagement was initiated by the company. We had a discussion with the head of investor relations, and the head of the sustainability team and other members of the sustainability team. The extent of the engagements included emails, a video call and the ByteDance team had read a number of our Turning Stone blogs. Following the political issues surrounding Bytedance under the Trump adminimstration, the IPO did not proceed as previously anticipated. However, the compnay continues to retain a significant presence in the market. There was no escalation.	For thematic engagements, we first establish criteria around an issue that we believe reflects a consistent underlying issue/risk. We then screen our holdings across all strategies within Quality Growth. We will then select from the list companies to engage with. Generally, we do not engage with more than 20 companies on a single thematic campaign at a given time. We then engage to check our views appear accurate and if confirmed will reach out to senior management or the board depending on the issue. In the case of gender diversity our approaches included letters to the Chair of the board and directors representing controlling interests. Where responses were received, if where there are further questions, we will respond with further communication. The engagement approach has evolved to be more consultative than hard

			pressure. We have found that trust is an important element of making progress and that involves understand both sets of needs, and what constitutes progress for both investors and the other stakeholders at a company, how long changes may take, and how much investment may be required. Regarding escalation, in this case we are looking at gender diversity on the board, so it only makes sense to communicate with senior board members. From here there is no sensible escalation – beyond the press, which we would rather avoid as this is sometimes damaging to the long-term building of trust and understanding between investor and managers.
Outcomes and next steps	The company has laid out a plan to improve its use of water and is making the investments needed to reach these goals. We will continue to monitor and engage with the company on this issue in order to encourage and support the effort.	It is not possible for us to know how this impacted the management's thinking. We know that they were surprised by some of our thoughts and the conversation was engaged in a positive sense. Our objective cannot be tracked, but we suggested that	We engaged with Techtronic Industries (Hong Kong/capital goods); owner of the Milwaukee power tools brand. Our initial engagement on diversity with the company was in 2020. At the time there were no female directors and we encouraged them to

	they consider establishing a number of measures to monitor unhealthy amounts of time spent on their service by individual users and also establishing measures that could be taken to help reduce screen time if it potentially becomes harmful to a user's health or welfare. The goal was to be both beneficial to users and the company. In markets where the downside to corporate behavior may be deemed not to be to in the interests of the general public, while being highly profitable can be significant. We have no plans to further engage unless the company reaches out to us again, or if the company moves ahead with an IPO and our research team regards Bytedance as an investment candidate.	bring more diversity to the board. Management responded positively and added Ms. Virginia Wilmerding to the board as an independent director later in the year. We wrote to the Chair of the board in 2021 to en-courage adding further female director to cross the 10% threshold for their 11-person board. Again, they were receptive and informed us they are searching for a candidate. We will continue with our dialogue.

Information on the most significant engagement case studies for Insight at strategy level for the funds containing public equities or bonds as at 31 March 2022 (latest available) is shown below:

Insight Broad Opportunities Fund	**Case Study 1**	**Case Study 2**
Name of entity engaged with	S&P Dow Jones Indices LLC	The Renewable Infrastructure Group plc

Topic	Environment - Climate change, Social - Human and labour rights (e.g. supply chain rights, community relations)	Governance - Leadership - Chair/CEO & Strategy, Financial and Reporting - Financial performance
Rationale	As we make significant use of derivative instruments in the strategy, we have long been proponents of the development of these markets to help enhance responsible investment and promote adoption. We also encourage the development of the relatively under-provided for ESG market-based instruments where appropriate.	Over 2022, a number of the company's independent Board members are expected to retire, having served 9 years in their roles. This dynamic heightens the need for effective strategies for succession planning. Moreover, the company's dividend target has remained unchanged from 2020 whilst we have continued to express a preference for fully covered, progressive increases.
What the investment manager has done	During Q1 2022, we participated in a consultation which could limit exposure to companies involved in controversial weapons, small arms and military contracting; exposure to oil sands extraction and tobacco related industries in the S&P 500 ESG index.	During Q4 2021, we held meetings with the board and asset manager of this renewable infrastructure holding, with a particular focus on succession planning and capability transitions.
Outcomes and next steps	We aim to maintain dialogue and monitor the outcome of the consultation.	The company remains an important component of the Fund's renewable infrastructure exposures providing higher scale, liquidity and a diversified portfolio exposed to a mix of renewable technologies across Europe and the UK. We aim to follow up on Board personnel changes to ensure successful capability transition and continue to express our preference for fully covered dividend growth.