DPDgroup UK Limited Pension Scheme

Implementation Statement for the year ended 5th April 2021

Dated: August 2021

1. Purpose of the Implementation Statement (or Introduction)

This document is the Annual Implementation Statement (**Statement**) prepared by the Trustees of the DPDgroup UK Limited Pension Scheme (**the Scheme)** covering the Scheme year (**the Reporting Year)** to 5th April 2021. The purpose of the Statement is to:

a) Detail any review of the Statement of Investment Principles (**SIP)** that the Trustees have undertaken, and any changes made to the SIP over the year as a result of the review.
b) Set out the extent to which, in the opinion of the Trustees, the Scheme's SIP has been followed during the Reporting year.
c) Describe the engagement and voting behavior on behalf of the Trustees over the year, including the most significant votes cast on behalf of the Trustees during the Reporting year.

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

A copy of this implementation statement has been made available on the following website: www.dpd.co.uk

2. Review and changes to the SIP

The SIP was reviewed and updated during October/November 2020 and formally approved by the Trustees at the 23 November 2020 meeting. The updates were made to reflect the requirement (from 1st October 2020) for the SIP to include details of the Trustees' investment manager arrangements, including:

a) Governance
b) Investment Manager Structure
c) Investment strategy
d) Performance objectives
e) Fee structures

3. Adherence to the SIP

The Trustees believe that the policies outlined in the SIP have been followed during the Reporting year and the justification for this is set out in the remainder of this section.

a) Objective and Investment Strategy

The Trustees' objective is to invest the Scheme's assets in the best interests of the members and beneficiaries, and to pay for current benefits out of investment income as far as practical, provide for future accrual of benefits through capital growth and future contributions and reduce the funding deficit. This is done by setting a strategy that relies on a balance between contributions from the Company and investment returns to achieve this goal, with due regard to risk.

The investment strategy (excluding any trigger based de-risking mechanism which was subsequently agreed in the next Reporting Year) targets to return an excess of 2.1% per annum net of fees over a rolling three year period above a portfolio of government bonds that replicate the movement of the Scheme's liabilities, based on market expectations as at November 2020.

b) **Changes in policy in Reporting Year**

The governance of the Scheme is well documented in the SIP and includes the division of responsibilities between the Trustees, investment adviser and investment managers. During the Reporting Year the Scheme moved from a traditional advisory model to a fiduciary management structure and the Scheme's investment strategy was updated across November and December 2020 resulting in a change in investment managers. The Scheme's policies regarding responsible investment and stewardship (Corporate Governance) remained materially unchanged except in the following ways:

- Prior to the appointment of BMO Global Asset Management as the Scheme's fiduciary manager in November 2020, the Scheme invested entirely in pooled funds and, as such, delegated responsibility for carrying out voting and engagement activities to the Scheme's fund managers. The Trustees reviewed the stewardship and engagement activities of the underlying managers at appointment with the support of their investment consultant, LCP and on an ongoing basis.

- Following the appointment of the fiduciary manager, the Scheme continues to invest entirely in pooled funds and, as such, delegates responsibility for carrying out voting and engagement activities to the Scheme's fund managers. However, the fiduciary manager selects underlying fund managers and reviews the stewardship and engagement activities of the underlying managers at appointment and on an ongoing basis. The Scheme reviewed the fiduciary manager's capabilities in manager selection and Responsible Investment and Stewardship upon appointment in the Reporting Year. Each year the Trustees will also receive and review voting and engagement information from the sub-investment managers (via the fiduciary manager), which they will review to ensure alignment with their own policies and use to prepare the Scheme's Implementation Statement.

c) **Policy on Responsible Investment and Stewardship**

The Scheme's Statement of Investment Principles ("**SIP**") includes the policy of the Trustees in respect of responsible investment and stewardship. The Trustees developed this policy in conjunction with their investment advisers.

Current Policy as presented in the SIP at the end of the Reporting Year.

7. Responsible Investment

The Trustees have considered how environmental, social, governance ("ESG") and ethical factors should be considered in the selection, retention and realisation of investments in view of the time horizon of the Scheme and its members. The Trustees have limited influence over managers' investment practices where assets are held in pooled funds but they expect the managers to take into account financially material considerations (including climate change and other ESG considerations) as the managers consider appropriate. The Trustees expect the fiduciary manager to consider the approach sub-investment managers take in this regard when it makes investment decisions to use a sub-investment manager or in providing investment advice. The Trustees do not consider non-financial matters (i.e. matters not relating to considerations of financial risk and return e.g. ethical and other views of members and beneficiaries) in the selection, retention and realisation of investments.

8. Corporate Governance

The Trustees recognise their responsibility as owners of capital. They believe that good stewardship practices including monitoring and engaging with investee companies and exercising voting rights attaching to investments protect and enhance the long-term value of investments. The Trustees have delegated to their fiduciary manager the exercise of rights attaching to investments including voting rights, and engagement with issuers of debt and equity and other relevant persons about relevant matters such as performance, strategy, risks and ESG considerations. The fiduciary manager has in turn delegated the exercise of these rights and engagement to sub-investment managers. The Trustees do not monitor or engage directly with issuers or other holders of debt or equity. They expect the fiduciary manager and sub-investment managers to exercise ownership rights and undertake monitoring and engagement in line with the relevant managers' general policies on stewardship, as provided to the Trustees from time to time, and to take into account the long-term financial interests of the beneficiaries. The Trustees have limited influence over managers' stewardship practices where assets are held in pooled funds, but it encourages its fiduciary manager to improve sub-manager practices where appropriate.

4. Voting Data

a) Structure of Equity Holdings and other voting rights

The Scheme invested entirely in pooled funds and, as such, delegates responsibility for carrying out voting and engagement activities to the Scheme's fund managers. The pooled fund structure means that there is limited scope for the Trustee to influence managers' voting and engagement behaviour.

b) How voting and engagement policies have been followed in the Reporting Year

Overall, the Trustees reviewed the stewardship of the managers held during the Reporting Year alongside preparation of the Statement and were satisfied that their policies were reasonable and in line with the Scheme's policies. Therefore, no remedial action was required during the Reporting Year.

- Prior to the fiduciary manager appointment in November 2020
  - The Trustee reviewed the stewardship and engagement policy and activities of underlying managers at appointment with support from their investment advisor. However, no new managers were added in the Reporting Year prior to appointment of the fiduciary manager
  - The Scheme reviewed the voting and engagement activities of the outgoing underlying managers (held prior to the appointment of the fiduciary manager) in the Reporting Year alongside preparation of the Implementation Statement and were satisfied that their activities were reasonable are in alignment with the Scheme's stewardship policies in the Reporting Year.

- Following the appointment of the fiduciary manager
  - The Trustee reviewed the voting and engagement activities of the underlying managers appointed by the fiduciary manager in the Reporting Year, following the year end, alongside preparation of the Implementation Statement. The fiduciary manager has responsibility to review the stewardship and engagement policies of a manager upon appointment and on an ongoing basis. Having reviewed the manager information provided by the fiduciary manager in accordance with their policies, the Trustee is comfortable the actions of the fund managers are in alignment with the Scheme's stewardship policies in the Reporting Year.

In light of the material change in managers in the Reporting Year associated with the move to a fiduciary manager (across December 2020), and that some managers only report voting and engagement activity annually, some managers reporting periods did not precisely match the Reporting Year. Voting activity is typically reported by managers in quarterly periods and the Trustees have considered data from 31 March 2020 to 31 March 2021 as representative of the Reporting Year. Engagement data is produced quarterly or for bespoke periods by some managers, but for others is only produced annually. A small number of managers held from 1st January 2021 to 31st March 2021 (3 managers amounting to less than 10% of assets) were able to provide voting data but not engagement activities for the period held, as their engagement reporting cycle is annual. However, the fiduciary manager reviewed all managers historical voting and engagement activities ahead of appointment and on an ongoing basis.

c) Relevant Investments in Reporting Year

Investment funds within which voting activities were undertaken are listed below.

Prior to fiduciary manager appointment, funds representing around 40% of Scheme assets contained voting rights across the period from 5th April 2020 to 30 November 2020.

Equity and multi asset funds

- LGIM Global Equity Fixed weights 50:50 Index Fund

- LGIM Global Equity Fixed weights 50:50 Index Fund (GBP Hedged)
- LGIM Infrastructure Equity Fund
- LGIM Diversified Fund

Post fiduciary manager appointment and transition of the investment strategy, funds representing ~15% of Scheme assets from 31st December 2020 contained voting rights.

Equity Funds:

- Acadian Global Managed Volatility Fund
- State Street Global ESG Screen Defensive Equity
- Los Angeles Capital Global Equity
- Acadian Multi Asset Absolute Return Fund

There are no voting rights attached to other assets held by the Scheme in the Reporting Year.

Voting Undertaken

Manager	LGIM*	LGIM*	LGIM*
Fund Name	LGIM Global Equity Fixed weights 50:50 Index Fund and LGIM Global Equity Fixed weights 50:50 Index Fund (GBP Hedged)	LGIM Infrastructure Equity Fund	LGIM Diversified Fund
Structure	Pooled Fund	Pooled Fund	Pooled Fund
Ability to influence votes	Limited scope to influence	Limited scope to influence	Limited scope to influence
No. of meetings eligible to vote at	3533	89	10973
No. of resolutions eligible to vote on	43,630	1,132	112453
% of resolutions voted on	99.97%	99.91%	98.76%
% voted with management	83.72%	84.79%	81.97%
% voted against management	16.19%	15.21%	17.48%
% abstain	0.10%	0.00%	0.55%
Were proxy advisory services used	Yes	Yes	Yes

LGIM were only able to provide data for the 12 months ended December 2020. The data is provided as indicative of the voting undertaking by LGIM within their funds during the period from 5th April 2020 to 30 November 2020. The LGIM Global Equity Fixed weights 50:50 Index fund and the LGIM Global Equity Fixed weights 50:50 Index fund (GBP Hedged) have the same underlying holdings and therefore have the same voting statistics and significant votes.

Manager	Acadian	State Street	Los Angeles Capital	Acadian
Fund Name	Acadian Global Managed Volatility Fund	State Street Global ESG Screen Defensive Equity	Los Angeles Capital Global Equity	Acadian Multi Asset Absolute Return Fund
Structure	Pooled Fund	Pooled Fund	Pooled Fund	Pooled Fund

Ability to influence votes	Limited scope to influence	Limited scope to influence	Limited scope to influence	Limited scope to influence
No. of meetings eligible to vote at	49	11	48	15
No. of resolutions eligible to vote on	558	178	648	177
% of resolutions voted on	82%	89.89%	98%	89%
% voted with management	90%	96.25%	91.10%	94%
% voted against management	10%	3.75%	8.90%	6%
% abstain	0	0.56%	2.60%	0
Were proxy advisory services used	Yes	Yes	Yes	Yes

Nature and extent of proxy advisory services where used

LGIM use recommendations and reports of proxy voting firms (including ISS's 'ProxyExchange') to augment their own research and proprietary ESG assessment tools. All voting decisions are made by LGIM. They do not outsource any part of the strategic decisions.

SSGA use a variety of third-party service providers (Examples include ISS and Glass Lewis) to support their stewardship activities. Data and analysis from service providers are used as inputs to help inform their position and assist with prioritization. However, all voting decisions and engagement activities are undertaken in accordance with SSGA's in-house policies and views.

Acadian use an external service provider (Glass Lewis) as their proxy administrator. They are responsible for applying custom Guidelines when executing proxy votes. In cases where the Guidelines specify case-by-case review by committee, or for any proposal not specifically addressed in the guidelines, internal Proxy Analysts will review available information (including certain research provided by their proxy administrator and provide a recommendation to the Proxy Voting committee. The committee will then vote on the proposal(s) in question and communicate a decision for their proxy administrator to execute.

Los Angeles Capital uses an unaffiliated third-party (Glass Lewis) to act as an independent proxy voting agent. This firm provides objective proxy analysis, voting recommendations, recordkeeping, and manages other operational matters of the proxy voting process.

Significant Votes

The tables below show how the managers voted in the most significant votes. For the first year of the Implementation statement it has been delegated to the managers to define what a significant vote is. Their rationale is below.

LGIM Global Equity Fixed weights 50:50 Index Fund and LGIM Global Equity Fixed weights 50:50 Index Fund (GBP Hedged)

	Vote 1	Vote 2	Vote 3
Company name	Qantas Airways Limited	Whitehaven Coal	International Consolidated Airlines Group
Date of vote	23-Oct-20	22-Oct-20	07-Sep-20
Approx. size of fund holding as % of fund			
Summary of resolution	Resolution 3 Approve participation of Alan Joyce in the Long-Term Incentive Plan Resolution 4 Approve Remuneration Report.	Resolution 6 Approve capital protection. Shareholders are asking the company for a report on the potential wind-down of the company's coal operations, with the potential to return increasing amounts of capital to shareholders.	Resolution 8: Approve Remuneration Report' was proposed at the company's annual shareholder meeting held on 7 September 2020.
How manager voted	LGIM voted against resolution 3 and supported resolution 4.	LGIM voted for the resolution.	We voted against the resolution.

Where voted against, was this communicated to management ahead of vote?	Given our engagement, LGIM's Investment Stewardship team communicated the voting decision directly to the company before the AGM and provided feedback to the remuneration committee.	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.	LGIM publicly communicates its vote instructions in monthly regional vote reports 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 vote	The COVID crisis has had an impact on the Australian airline company's financials. In light of this, the company raised significant capital to be able to execute its recovery plan. It also cancelled dividends, terminated employees, and accepted government assistance. The circumstances triggered extra scrutiny from LGIM as we wanted to ensure the impact of the COVID crisis on the company's stakeholders was appropriately reflected in the executive pay package. In collaboration with our Active Equities team, LGIM's Investment Stewardship team engaged with the Head of Investor Relations of the company to express our concerns and understand the company's views. The voting decision ultimately sat with the Investment Stewardship team. We supported the remuneration report (resolution 4) given the executive salary cuts, short-term incentive cancellations and the CEO's voluntary decision to defer the vesting of the long-term incentive plan (LTIP), in light of the pandemic. However, our concerns as to the quantum of the 2021 LTIP grant remained, especially given the share price at the date of the grant and the remuneration committee not being able to exercise discretion on LTIPs, which is against best practice.	The role of coal in the future energy mix is increasingly uncertain, due to the competitiveness of renewable energy, as well as increased regulation: in Q4 2020 alone three of Australia's main export markets for coal - Japan, South Korea and China - have announced targets for carbon neutrality around 2050. LGIM has publicly advocated for a 'managed decline' for fossil fuel companies, in line with global climate targets, with capital being returned to shareholders instead of spent on diversification and growth projects that risk becoming stranded assets. As the most polluting fossil fuel, the phase-out of coal will be key to reaching these global targets.	The COVID-19 crisis and its consequences on international transport have negatively impacted this airline company's financial performance and business model. At the end of March 2020, LGIM addressed a private letter to the company to state our support during the pandemic. We also encouraged the board to demonstrate restraint and discretion with its executive remuneration. As a result of the crisis, the company took up support under various government schemes. The company also announced a 30% cut to its workforce. On the capital allocation front, the company decided to withdraw its dividend for 2020 and sought shareholder approval for a rights issue of €2.75 billion at its 2020 AGM in order to strengthen its balance sheet. The remuneration report for the financial year to 31 December 2019 was also submitted to a shareholder vote. We were concerned about the level of bonus payments, which are 80% to 90% of their salary for current executives and 100% of their salary for the departing CEO. We noted that the executive directors took a 20% reduction to their basic salary from 1 April 2020. However, whilst the bonuses were determined at the end of February 2020 and paid in respect of the financial year end to December

	We voted against resolution 3 to signal our concerns.		2019, LGIM would have expected the remuneration committee to exercise greater discretion in light of the financial situation of the company, and also to reflect the stakeholder experience (employees and shareholders). Over the past few years, we have been closely engaging with the company, including on the topic of the succession of the CEO and the board chair, who were long-tenured. This engagement took place privately in meetings with the board chair and the senior independent director. This eventually led to a success, as the appointment of a new CEO to replace the long-standing CEO was announced in January 2020. A new board chair: an independent non-executive director, was also recently appointed by the board. He will be starting his new role in January 2021.

Outcome of vote	About 90% of shareholders supported resolution 3 and 91% supported resolution 4. The meeting results highlight LGIM's stronger stance on the topic of executive remuneration, in our view.	The resolution did not pass, as a relatively small amount of shareholders (4%) voted in favour. However, the environmental profile of the company continues to remain in the spotlight: in late 2020 the company pleaded guilty to 19 charges for breaching mining laws that resulted in significant environmental harm. As the company is on LGIM's Future World Protection List of exclusions, many of our ESG-focused funds and select exchange-traded funds were not invested in the company.	28.4% of shareholders opposed the remuneration report.
Implications of vote	We will continue our engagement with the company.	LGIM will continue to monitor this company.	LGIM will continue to engage closely with the renewed board.
Why is this a 'Significant Vote'	It highlights the challenges of factoring in the impact of the COVID situation into the executive remuneration package.	The vote received media scrutiny and is emblematic of a growing wave of green shareholder activism.	LGIM considers this vote significant as it illustrates the importance for investors of monitoring our investee companies' responses to the COVID crisis.

LGIM Infrastructure Equity Fund

There were no significant votes made in relation to the securities held by this fund during the reporting period.

LGIM Diversified Fund

	Vote 1	Vote 2	Vote 3
Company name	Lagardere	Pearson	SIG plc.
Date of vote	05-May-20	18-Sep-20	09-Jul-20
Approx. size of fund holding as % of fund			
Summary of resolution	Shareholder resolutions A to P. Activist Amber Capital, which owned 16% of the share capital at the time of engagement, proposed 8 new directors to the Supervisory Board (SB) of Lagardere, as well as to remove all the incumbent directors (apart from two 2019 appointments).	'Resolution 1: Amend remuneration policy' was proposed at the company's special shareholder meeting, held on 18 September 2020.	'Resolution 5: Approve one-off payment to Steve Francis' proposed at the company's special shareholder meeting held on 9 July 2020.
How manager voted	LGIM voted in favour of five of the Amber-proposed candidates (resolutions H,J,K,L,M) and voted off five of the incumbent Lagardere SB directors (resolutions B,C,E,F,G).	We voted against the amendment to the remuneration policy.	We voted against the resolution.

Where voted against, was this communicated to management ahead of vote?	LGIM publicly communicates its vote instructions in monthly regional vote reports 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.	LGIM publicly communicates its vote instructions in monthly regional vote reports 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.	LGIM publicly communicates its vote instructions in monthly regional vote reports 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 vote	Proposals by Amber were due to the opinion that the company strategy was not creating value for shareholders, that the board members were not sufficiently challenging management on strategic decisions, and for various governance failures. The company continues to have a commandite structure; a limited partnership, which means that the managing partner has a tight grip on the company, despite only having 7 % share capital and 11% voting rights. LGIM engages with companies on their strategies, any lack of challenge to these, and with governance concerns. The company strategy had not been value-enhancing and the governance structure of the company was not allowing the SB to challenge management on this. Where there is a proxy contest, LGIM engages with both the activist and the company to understand both perspectives. LGIM engaged with both Amber Capital, where we were able to speak to the proposed new SB Chair, and also Lagardere, where we spoke to the incumbent SB Chair. This allowed us to gain direct perspectives from the individual charged with ensuring their board includes the right individuals to challenge management.	Pearson issued a series of profit warnings under its previous CEO. Yet shareholders have been continuously supportive of the company, believing that there is much value to be gained from new leadership and a fresh approach to their strategy. However, the company decided to put forward an all-or-nothing proposal in the form of an amendment to the company's remuneration policy. This resolution at the extraordinary general meeting (EGM) was seeking shareholder approval for the grant of a co-investment award, an unusual step for a UK company, yet if this resolution was not passed the company confirmed that the proposed new CEO would not take up the CEO role. This is an unusual approach and many shareholders felt backed into a corner, whereby they were keen for the company to appoint a new CEO, but were not happy with the plan being proposed. However, shareholders were not able to vote separately on the two distinctly different items, and felt forced to accept a less-than-ideal remuneration structure for the new CEO. LGIM spoke with the chair of the board earlier this year, on the board's succession plans and progress for the new CEO. We also discussed the shortcomings of the company's current remuneration	The company wanted to grant their interim CEO a one-off award of £375,000 for work carried out over a two-month period (February - April). The CEO agreed to invest £150,000 of this payment in acquiring shares in the business, and the remaining £225,000 would be a cash payment. The additional payment was subject to successfully completing a capital-raising exercise to improve the liquidity of the business. The one-off payment was outside the scope of their remuneration policy and on top of his existing remuneration, and therefore needed shareholder support for its payment. LGIM does not generally support one-off payments. We believe that the remuneration committee should ensure that executive directors have a remuneration policy in place that is appropriate for their role and level of responsibility. This should negate the need for additional one-off payments. In this instance, there were other factors that were taken into consideration. The size of the additional payment was a concern because it was for work carried over a two-month period, yet was equivalent to 65% of his full-time annual salary. £225,000 was to be paid in cash at a time when the company's liquidity position was so poor that it risked breaching

		policy. We also spoke with the chair directly before the EGM, and relayed our concerns that the performance conditions were weak and should be re-visited, to strengthen the financial underpinning of the new CEO's award. We also asked that the post-exit shareholding requirements were reviewed to be brought into line with our expectations for UK companies. In the absence of any changes, LGIM took the decision to vote against the amendment to the remuneration policy.	covenants of a revolving credit facility and therefore needed to raise additional funding through a highly dilutive share issue.
Outcome of vote	Even though shareholders did not give majority support to Amber's candidates, its proposed resolutions received approx. between 30-40% support, a clear indication that many shareholders have concerns with the board. (Source: ISS data)	At the EGM, 33% of shareholders voted against the co-investment plan and therefore, by default, the appointment of the new CEO.	The resolution passed. However, 44% of shareholders did not support it. We believe that with this level of dissent the company should not go ahead with the payment.

Implications of vote	LGIM will continue to engage with the company to understand its future strategy and how it will add value to shareholders over the long term, as well as to keep the structure of SB under review.	Such significant dissent clearly demonstrates the scale of investor concern with the company's approach. It is important that the company has a new CEO, a crucial step in the journey to recover value; but key governance questions remain which will now need to be addressed through continuous engagement.	We intend to engage with the company over the coming year to find out why this payment was deemed appropriate and whether they made the payment despite the significant opposition.
Why is this a 'Significant Vote'	LGIM noted significant media and public interest on this vote given the proposed revocation of the company's board.	Pearson has had strategy difficulties in recent years and is a large and well-known UK company. Given the unusual approach taken by the company and our outstanding concerns, we deem this vote to be significant.	The vote is high-profile and controversial.

Acadian Global Managed Volatility Fund

	Vote 1	**Vote 2**	**Vote 3**
Company name	Costco Wholesale Corp	Walgreens Boots Alliance Inc	Amdocs Ltd
Date of vote	21-Jan-21	28-Jan-21	29-Jan-21

Approx. size of fund holding as % of fund	1.24%	0.55%	1.09%
Summary of resolution	Elect Richard A. Galanti	Shareholder Proposal Regarding Independent Board Chair	Elect James S. Kahan
How manager voted	Withhold. Against Management	For, Against Management	For, Supported Management
Where voted against, was this communicated to management ahead of vote?	Did not communicate	Did not communicate	
Rationale for vote	Section II-A. The Proxy Committee agrees with the factors used by Glass Lewis to determine whether an issuer adheres to good corporate governance practices. In this case, the candidate is also the company CFO, which is poor practice for board independence.	Section II-B We vote for proposals that would require the positions of chairman and CEO to be held by different persons, unless the company has all of the following: Designated lead director, elected by and from the independent board members with clearly delineated duties; Two-thirds independent board; The company publicly discloses a comparison of the duties of its independent lead director and its chairman; The company publicly discloses a sufficient explanation of why it chooses not to give the position of chairman to the independent lead director, and instead to combine the chairman and CEO positions; All independent key committees; Established governance guidelines	Section II-A. The Proxy Committee agrees with the factors used by Glass Lewis to determine whether an issuer adheres to good corporate governance practices.
Outcome of vote	Passed	Voted Down	Passed

Implications of vote	Approximately 8% of shareholders withheld support from this candidate, including Russell Investments. Our guidelines functioned as intended and the rationale was sound.	Over 35% of shareholders voted in support of this proposal. Our guidelines functioned as intended and the rationale was sound.	While our guidelines functioned as intended, and this candidate was elected by the majority of shareholders, ~15% voted against. We will monitor this issue and seek out further insight the next time this candidate comes up for re-election.
Why is this a 'Significant Vote'	Top Holding, Vote Against Management	Top Holding (for reporting period), Controversial Outcome, Governance SHP, Vote Against Management	Top Holding, Controversial Outcome

State Street Global ESG Screen Defensive Equity

	Vote 1
Company name	**Hologic Inc.**
Date of vote	**11th March 2021**
Approx. size of fund holding as % of fund	**0.51%**
Summary of resolution	**Advisory Vote to Ratify Named Executive Officers' Compensation**
How manager voted	**Against**

Where voted against, was this communicated to management ahead of vote?	**SSGA do not publicly communicate their vote in advance**
Rationale for vote	This item does not merit support as SSGA has concerns with the proposed remuneration structure for senior executives at the company.
Outcome of vote	**69% of shareholders voted for the proposal**
Implications of vote	**Where appropriate we will contact the company to explain our voting rationale and conduct further engagement.**
Why is this a 'Significant Vote'	**Vote against management and material holding**

Los Angeles Capital Global Equity
No materiality thresholds where breached in the context of Los Angeles Capital's proxy voting. Accordingly, there are no significant votes to be reported for the period.

Acadian Multi Asset Absolute Return Fund

	Vote 1	**Vote 2**	**Vote 3**
Company name	Kone Corp.	Santander Bank Polska S. A.	Bank Millennium S.A.
Date of vote	02-Mar-21	22-Mar-21	24-Mar-21
Approx. size of fund holding as % of fund	N/A	N/A	N/A

Summary of resolution	Directors' Fees	Supervisory Board Fees	Remuneration Policy
How manager voted	Against, Against Management	Against, Against Management	Against, Against Management
Where voted against, was this communicated to management ahead of vote?	Did not communicate	Did not communicate	Did not communicate
Rationale for vote	Section X-H We vote for proposals to approve remuneration policies or programs unless (1) we have voted against other components of the company's remuneration or compensation package in a separate proposal, in which case we will vote against such policy or program; (2) Glass Lewis recommends a vote against equity or compensation plans for non-executive directors, in which case we will vote against such plan; or (3) for proposals not covered above, Glass Lewis recommends a vote against, in which case the proposal will be voted on a case-by-case basis.	Section XV We vote against management proposals where the proposals and the information related thereto which are presented to Russell are, in Russell's opinion, inadequate to apply these guidelines. In contrast to voting based on Russell's determination as to the adequacy of information, we vote against management proposals when Glass Lewis recommends to abstain from such a proposal due to either a lack of disclosure or lack of information provided by the company to Glass Lewis.	Section X-H Additionally, we vote against advisory proposals to approve executive compensation if: There is a pay-for-performance disconnect, or the company maintains poor compensation practices.
Outcome of vote	Outcome unavailable	Outcome unavailable	Outcome unavailable
Implications of vote	We cannot determine any direct implications at this time, as the outcome of the vote is not available, however, our guidelines functioned as intended and the rationale was sound.	We cannot determine any direct implications at this time, as the outcome of the vote is not available, however, our guidelines functioned as intended and the rationale was sound.	We cannot determine any direct implications at this time, as the outcome of the vote is not available, however, our guidelines functioned as intended and the rationale was sound.

Why is this a 'Significant Vote'	Vote Against Management	Vote Against Management	Vote Against Management

Engagement Undertaken

Manager	LGIM	M&G	BMO
Fund(s)	Global Equity FW 50:50 Index Global Equity FW 50:50 Index GBP Hedged Infrastructure Equity MFG GBP Hedged Buy & Maintain Credit Diversified fund Sterling Liquidity fund	PMC M&G Total Return Credit GBP AA	LDI fund range Sterling Liquidity Fund Global Absolute Return Bond Fund Global Low Duration Credit Fund Sterling Corporate Bond Fund
Does the manager perform engagement with companies they have invested in and/or relevant counterparties?	Yes	Yes	Yes
Number of engagements undertaken on holdings in the fund during reporting period?	Manager does not report engagements at a fund level	9 (from 31st March 2020 to 30th November 2020)	LDI counterparties: 40 (during H2 2020); Global ARB: 171 (during H2 2020); Global Low Duration Credit: 141 (during H2 2020); Liquidity fund: 107 (during 2020). Data not available at fund level for reporting period for Sterling Corporate Bond fund.
Categorisation of engagements undertaken on the fund holdings during the reporting period.	N/A	Environmental: 22% Social: 22% Governance: 56%	LDI counterparties: Environment 60%; Social 30%; Governance 10%. Global ARB: Environmental 35%; Social 40%; Governance 25%. Global LDC: Environmental 30%; Social 50%; Governance 20%. Liquidity: Environmental 40%; Social 20%; Governance 40%.

Number of engagements undertaken at a firm level during reporting period	891 (during 2020)	Data not available for reporting period	2,260 (during 2020)
Categorisation of engagements undertaken at a firm level during the reporting period.	Environmental: 416; Social: 253; Governance: 401; Other: 159	N/A	Environmental 30%; Social 40%; Governance 30%.
Example of an engagement undertaken during the reporting period.	Following an engagement campaign on the importance of gender diversity with large Japanese companies that began in January 2019, they announced in early 2020 that we would vote against TOPIX 100 companies that had no women on their boards. In the first year of implementing this policy, they voted against the most senior member of the board or chair of the nomination committee (depending on the board structure) at 10 Japanese companies including Olympus, Central Japan Railway (JR Tokai) and Kubota.	To encourage Ineos to provide investors with greater transparency with regard to disclosures on material ESG risks, such as climate change, as well as tangible targets and actions on carbon emission reductions across the group. It is worth noting that Ineos have made individual achievements within business silos and they have been the top tier operator in terms of site efficiency and site safety. The objective of this engagement was to encourage Ineos to provide investors with a more holistic understanding of the ESG standards and targets, on the group level, so that we are comfortable that the company is managing those material ESG risks and acting responsibly as they work operate in high risk areas, particularly in relation to carbon emission and waste management.	Barclays PLC. Committed to align the entire financing portfolio to the goals of the Paris Agreement, and to regularly report on progress. As the first international bank with such a bold commitment, along with a rather large fossil fuel financing book, this commitment shows clear climate leadership. We have engaged the company on their environmental and climate risk management practices for their lending portfolio in the past.

Manager	Los Angeles Capital	PGIM	Leadenhall	Twelve Capital	SSGA	Acadian
Fund(s)	**LACM Global Equity Fund**	**PGIM Global Corporate Bond Fund**	**Leadenhall Cat Bond Fund**	**Twelve Cat Bond Fund**	**SSGA Global Defensive Equity**	**Acadian Global Managed Volatility Acadian Multi Asset Absolute Return**
Does the manager perform engagement with companies they have invested in and/or relevant counterparties?	Yes	Yes	Yes	Yes	Yes	Yes
Number of engagements undertaken on holdings in the fund during reporting period?	Manager does not report engagements at a fund level	11 (during Q1 2021)	Manager does not report engagements at a fund level	Manager does not report engagements at a fund level	Manager does not report engagements at a fund level	Manager does not report engagements at a fund level
Categorisation of engagements undertaken on the fund holdings during the reporting period.	N/A	To categorise the 11 engagements: 4 environmental, 1 social, 2 governance, 2 environmental & social, and 2 environmental & governance.	N/A	N/A	N/A	N/A

Number of engagements undertaken at a firm level during reporting period	The Firm selects a limited number of engagements based on a quantitative assessment in order to maintain a focused list. We feel that focus on a small list of companies allows us to have a greater impact. The Firm is co-signatory on engagements with 13 companies through the CDP, and collaboratively engages with 5 companies through Climate Action 100+.	196 engagements during Q1 2021	250 (in 12m ended March 2021)	Data not yet available for reporting period.	Data not yet available for reporting period.	Data not yet available for reporting period.
Categorisation of engagements undertaken at a firm level during the reporting period.	The Firm currently utilizes a pooled engagement approach and is a participant in Climate Action 100+ initiative as well as the CDP's Non-disclosure Campaign.	Breakdown not available at the firm level	N/A	N/A	N/A	N/A
Example of an engagement undertaken during the reporting period.	Engagement with a U.S. Utilities & Power Producers Company. Joined this engagement in a supporting role, participating on company calls and providing feedback and suggestions to the	We discussed with the IR & Treasury departments of a European financial services firm, the influence of the government on sustainability strategy for the bank, disclosure and carbon	For an investment that was rated amber due to concerns on transparency of data. Work is ongoing with sponsor to provide more transparency	N/A	N/A	N/A

	lead. Engagement objectives include setting a long-term, science-based reduction target; net-zero commitment; lobbying in line with Paris agreement.	accounting, transition plans in lending/underwriting and the structure of ESG management.	with data/loss information. The discussions with sponsor on both private placements and cat bonds will be ongoing throughout 2021.			

Where no fund or firm level data provided						
Proportion of client assets				1%	2.50%	5%
Period in reporting year				Q1 2021	Q1 2021	Q1 2021