

## Implementation Statement

### Bank Leumi (UK) Retirement Benefits Scheme

This is the Implementation Statement prepared by the Trustee of the Bank Leumi (UK) Retirement Benefits Scheme (“the Scheme”) and sets out:

- How the Trustee’s policies on exercising rights (including voting rights) and engagement have been followed over the year to 31 December 2020.
- The voting and engagement behaviour of the Trustee, or that undertaken on their behalf, over the year.

#### How voting and engagement policies have been followed

The Scheme invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Scheme’s fund managers.

The Trustees reviewed the stewardship and engagement activities of the current managers during the year, alongside preparation of the Implementation Statement. The Trustees monitor the ESG performance of the managers on a regular basis. The Trustees were satisfied that the managers’ policies were reasonable and no further remedial action was required during the period.

Having reviewed the above in accordance with their policies, the Trustees are comfortable the actions of the fund managers are in alignment with the Scheme’s stewardship policies.

**Adopted by the Trustees in June 2021**

## Voting Data – Table 1 of 2

Manager	Baillie Gifford	Syz Asset Management	M&G	Columbia Threadneedle
<b>Fund name</b>	Multi Asset Growth Fund	Oyster Absolute Return Fund	Episode Allocation Fund	Dynamic Real Return Fund
<b>Structure</b>	Pooled			
<b>Ability to influence voting behaviour of manager</b>	The pooled fund structure means that there is limited scope for the Trustees to influence the manager's voting behaviour.			
<b>Number of company meetings the manager was eligible to vote at over the year</b>	64	Not provided	24	347
<b>Number of resolutions the manager was eligible to vote on over the year</b>	696	Not provided	351	4,565
<b>Percentage of resolutions the manager voted on</b>	96.0%	Not provided	86.32%	98.10%
<b>Percentage of resolutions the manager abstained from</b>	1.8%	Not provided	0.33%	2.39%
<b>Percentage of resolutions voted <i>with</i> management, as a percentage of the total number of resolutions voted on</b>	90.3%	Not provided	91.09%	91.43%
<b>Percentage of resolutions voted <i>against</i> management, as a percentage of the total number of resolutions voted on</b>	23.4%	Not provided	8.91%	6.18%
<b>Percentage of resolutions voted <i>contrary to the recommendation of the proxy advisor</i></b>	n/a	Not provided	8.25%	n/a

## Voting Data – Table 2 of 2

Manager	BlackRock			LGIM
<b>Fund name</b>	BIEF UK Select Equity Fund	Currency Hedged Overseas Equity Fund	Overseas Fixed Benchmark Equity Fund	UK Equity Index Fund
<b>Structure</b>	Pooled			
<b>Ability to influence voting behaviour of manager</b>	The pooled fund structure means that there is limited scope for the Trustees to influence the manager's voting behaviour.			
<b>Number of company meetings the manager was eligible to vote at over the year</b>	168	2,086	2,086	894
<b>Number of resolutions the manager was eligible to vote on over the year</b>	2,400	25,685	25,685	12,468
<b>Percentage of resolutions the manager voted on</b>	98.83%	93.66%	93.66%	100.00%
<b>Percentage of resolutions the manager abstained from</b>	1.96%	0.37%	0.37%	0.01%
<b>Percentage of resolutions voted <i>with</i> management, as a percentage of the total number of resolutions voted on</b>	94.86%	93.79%	93.79%	93.12%
<b>Percentage of resolutions voted <i>against</i> management, as a percentage of the total number of resolutions voted on</b>	5.14%	6.21%	6.21%	6.87%
<b>Percentage of resolutions voted contrary to the recommendation of the proxy advisor</b>	n/a	n/a	n/a	0.77%

## Significant votes

We are currently trying to get this information from managers in a consistent manner.

For the first year of implementation statements we have delegated to the investment manager(s) to define what a “significant vote” is. A summary of the data they have provided is set out in the appendix.

### Fund level engagement

Manager	BlackRock	Baillie Gifford	LGIM	Syz Asset Management	Columbia Threadneedle	M&G
<b>Fund name</b>	BIEF UK Select Equity Fund Overseas Fixed Benchmark Equity Fund Currency Hedged Overseas Equity Fund	Multi Asset Growth Fund	UK Equity Index Fund AAA-AA-A Over 15yr Index Matching Core Fund series Buy and Maintain Credit Fund	Oyster Absolute Return Fund	Dynamic Real Return Fund	Episode Allocation Fund
<b>Does the manager perform engagement on behalf of the holdings of the fund</b>	Yes	Yes	Yes	No	Yes	Yes
<b>Has the manager engaged with companies to influence them in relation to ESG factors in the year?</b>	Yes	Yes	Yes	No	Yes	Yes
<b>Number of engagements undertaken on behalf of the holdings in this fund in the year</b>	Ccy Hdgd Overseas Equity Fund: 1,475 Overseas Fixed Equity Fund: 1,475 BIEF UK Equity Fund: 155	Not provided	Not provided	Not applicable	Not provided	2
<b>Number of engagements undertaken at a firm level in the year</b>	3,501	551	891	0	278	Not provided

Manager	BlackRock	Baillie Gifford	LGIM	Syz Asset Management	Columbia Threadneedle	M&G
<p><b>Examples of engagements undertaken with holdings in the fund</b></p>	<p><b>American Airlines</b> – engaged on remuneration and the management of human capital, climate risk, and business oversight. <b>Barclays</b> – engaged on board composition and effectiveness, executive management, corporate strategy, climate risk management, and operational sustainability.</p>	<p>Key engagement topics include executive remuneration, corporate governance, environmental and social issues, and AGM or EGM proposals.</p>	<p>Key engagement topics include climate change, remuneration, diversity, COVID-19, and Strategy.</p>	<p>Not applicable</p>	<p>Not provided</p>	<p><b>Rio Tinto</b> – M&amp;G engaged with Rio Tinto, an Anglo-Australian mining company, on environmental and social issues. In particular, setting a Net Zero target for 2050 for scope 1, 2 and 3 emissions and media coverage of the destruction of historic caves in Western Australia.</p>

## Appendix – Significant votes data

### Baillie Gifford, Multi Asset Growth Fund

	Vote 1	Vote 2	Vote 3	Vote 4
<b>Company name</b>	Covivio REIT	EDP Renovaveis	Gecina	Merlin Properties
<b>Date of vote</b>	22 April 2020	26 March 2020	23 April 2020	16 June 2020
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	0.45	0.38	0.34	0.21
<b>Summary of the resolution</b>	Remuneration - Policy	Elect Director(s)	Incentive Plan	Remuneration - Report
<b>How the manager voted</b>	Against	Against	Against	Against
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	Yes	Yes	Yes	Yes
<b>Rationale for the voting decision</b>	BG opposed five resolutions regarding the in-flight and proposed long term incentive scheme because it could lead to rewarding under-performance.	BG opposed the election of a director due to the lack of independence and diversity on the board.	BD opposed three resolutions relating to remuneration as they do not believe there is sufficient alignment between pay and performance.	BG opposed the resolution to approve the Remuneration Report because of concerns with quantum.
<b>Outcome of the vote</b>	Pass	Pass	Pass	Pass
<b>Implications of the outcome</b>	Following the AGM in 2020, BG informed the company of their voting decision and advised that they expect more stretching performance criteria to apply to long term incentives going forward. BG have yet to see improvements in the targets so will continue dialogue with the company and to take appropriate voting action.	BG have taken action on the election of directors at the company since the 2018 AGM. Their concerns are regarding the attendance record of some directors, a lack of board independence and diversity. They have spoken to the company a number of times regarding these concerns and continue raise the issue and take	BG have been opposing remuneration at the company since 2017 due to concerns with the targets applied to the restricted stock plan. They are yet to see improvements in the remuneration plan however continue to engage with the company to advise of areas for improvement.	BG have been opposing remuneration at the company since 2017 and engaging with the company on the issue. In 2020, they saw significant improvements in the company's remuneration policy which is a positive outcome.

**Vote 1**

**Vote 2**

**Vote 3**

**Vote 4**

action where possible. As the company has an 82% controlling shareholder, BG's ability to influence is limited, however they believe it important to hold the board accountable for their concerns.

**Criteria on which the vote is considered "significant"**

This resolution is significant because BG opposed remuneration.

This resolution is significant because they opposed the election of a director.

This resolution is significant because they opposed remuneration.

This resolution is significant because they opposed remuneration.

## Syz Asset Management, Oyster Absolute Return Fund

Syz were unable to provide data of their significant votes over the year to 31 December 2020. We are continuously working with Syz in order for them to provide data in the correct format.

## M&G, Episode Allocation Fund

	Vote 1	Vote 2	Vote 3	Vote 4
<b>Company name</b>	Methanex Corporation	Lloyds Banking Group Plc	JPMorgan Chase & Co.	BNY Mellon Corp
<b>Date of vote</b>	30 April 2020	21 May 2020	19 May 2020	15 April 2020
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	Not provided	Not provided	Not provided	Not provided
<b>Summary of the resolution</b>	Elect Director	Approve Remuneration Report	Shareholder resolution requesting that the Board issue a report "describing how JPMorgan Chase plans to respond to rising reputational risks for the Company and questions about its role in society related to involvement in Canadian oil sands production, oil sands pipeline companies, and Arctic oil and gas exploration and production."	Require Shareholder Approval of Bylaw Amendments Adopted by the Board of Directors
<b>How the manager voted</b>	Withhold	Against	For	For
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	Yes	Not recorded	No	No
<b>Rationale for the voting decision</b>	Withholding support due to concerns over corporate governance and strategy	Concerns over remuneration and the dividend	Supportive, as in our view it is in shareholders' interests	Supportive, as in our view shareholders should approve all bylaw amendments
<b>Outcome of the vote</b>	Not provided	Not provided	Not provided	Not provided
<b>Implications of the outcome</b>	Not provided	Not provided	Not provided	Not provided



	Vote 1	Vote 2	Vote 3	Vote 4
<b>Criteria on which the vote is considered "significant"</b>	High sensitivity to stakeholders	Other	High sensitivity to stakeholders	Shareholders' rights

## Columbia Threadneedle, Dynamic Real Return Fund – Table 1 of 2

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
<b>Company name</b>	Amazon.com, Inc.	Alphabet Inc.	Facebook, Inc.	Adobe Inc.	Comcast Corporation
<b>Date of vote</b>	27 May 2020	3 Jun 2020	27 May 2020	9 April 2020	3 Jun 2020
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	0.89%	0.84%	0.43%	0.28%	0.36%
<b>Summary of the resolution</b>	Elect Director Thomas O. Ryder	Elect Director L. John Doerr	Report on Median Gender/Racial Pay Gap	Elect Director Frank A. Calderoni	Report on Risks Posed by Failing to Prevent Sexual Harassment
<b>How the manager voted</b>	Against	Withhold	For	Abstain	For
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	No	No	No	No	No
<b>Rationale for the voting decision</b>	Director is an affiliate serving on a key committee.	Compensation committee chair; concerns around compensation.	Material social risk for business; in shareholders' interests.	Combined chairman/CEO	Material social risk for business; in shareholders' interests.
<b>Outcome of the vote</b>	Pass	Pass	Fail	Pass	Fail
<b>Implications of the outcome</b>	Active stewardship (engagement and voting) continues to form an integral part of CT's research and investment process.	Active stewardship (engagement and voting) continues to form an integral part of CT's research and investment process.	Active stewardship (engagement and voting) continues to form an integral part of CT's research and investment process.	Active stewardship (engagement and voting) continues to form an integral part of CT's research and investment process.	Active stewardship (engagement and voting) continues to form an integral part of CT's research and investment process.
<b>Criteria on which the vote is considered "significant"</b>	Vote against management	Vote against management	Vote against management	Vote against management	Vote against management

## Columbia Threadneedle, Dynamic Real Return Fund – Table 2 of 2

	Vote 6	Vote 7	Vote 8	Vote 9	Vote 10
<b>Company name</b>	Knorr-Bremse AG	Eurofins Scientific SE	DS Smith Plc	Tesco Plc	Whitbread Plc
<b>Date of vote</b>	30 June 20	26 June 2020	8 Sep 2020	26 June 2020	6 Dec 2019
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	0.12%	0.03%	0.44%	0.04%	0.03%
<b>Summary of the resolution</b>	Elect Heinz Thiele to the Supervisory Board	Reelect Valerie Hanote as Director	Re-elect Gareth Davis as Director	Approve Remuneration Report	Approve Remuneration Policy
<b>How the manager voted</b>	Abstain	Against	Abstain	Against	Against
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	No	No	No	No	Yes
<b>Rationale for the voting decision</b>	Corporate governance concerns	Low attendance	The nominee serves as chairman of the nominating committee and an executive director sits on the committee.	Ex post adjustment to long-term performance metrics	Concerns around quantum of pay
<b>Outcome of the vote</b>	Pass	Pass	Pass	Check	Vote passed
<b>Implications of the outcome</b>	Active stewardship (engagement and voting) continues to form an integral part of CT's research and investment process.				
<b>Criteria on which the vote is considered "significant"</b>	Vote against management	Vote against management.	Vote against management	Vote against management	Vote against management

## BlackRock, BIEF UK Select Equity Fund

	Vote 1	Vote 2
<b>Company name</b>	ROYAL DUTCH SHELL PLC	BARCLAYS PLC
<b>Date of vote</b>	19 May 2020	7 May 2020
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	Not provided	Not provided
<b>Summary of the resolution</b>	Request Shell to set and publish targets for Scope 1, 2 and 3 Greenhouse Gas (GHG) Emissions aligned with the Paris Agreement.	Resolution 29 - Approve Barclays' Commitment in Tackling Climate Change, Resolution 30 - Approve ShareAction Requisitioned Resolution
<b>How the manager voted</b>	For	For Resolution 29 and Against Resolution 30
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	Not provided	Not provided
<b>Rationale for the voting decision</b>	In determining their vote, BlackRock took into consideration that Shell already had some of the most ambitious climate targets in the industry on all relevant scopes (1,2,3) and that the company already makes strong TCFD disclosures. Moreover, this resolution refers to Shell's now out of date climate commitments and have been superseded by stronger commitments. So as a of Shell's responsiveness BlackRock considers the request made in the resolution to have been substantively been delivered.	Based on BlackRock's proxy voting guidelines, the independent fiduciary voted taking into consideration several factors. Support for both resolutions (29 and 30) would have been problematic as they are both binding.
<b>Outcome of the vote</b>	Not provided	Resolution 29 –Pass, Resolution 30 – Not passed.
<b>Implications of the outcome</b>	BlackRock will continue to engage with the company on its governance practices, reporting on material factors including the alignment with the SASB guidelines and on the development of its plans to achieve its ambitious climate commitments.	Not provided
<b>Criteria on which the vote is considered "significant"</b>	Not provided	Not provided

## BlackRock, Currency Hedged Overseas Equity Fund – Table 1 of 2

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
<b>Company name</b>	EXXON MOBIL CORP	CHEVRON CORP	MIZUHO FINANCIAL GROUP	VOLKSWAGEN AG	WOODSIDE PETROLEUM LTD
<b>Date of vote</b>	27 May 2020	27 May 2020	25 June 2020	30 Sep 2020	30 April 2020
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	Not provided	Not provided	Not provided	Not provided	Not provided
<b>Summary of the resolution</b>	Elect Director Angela Braly Elect Director Kenneth Frazier Require Independent Board Chair	Report on Climate Lobbying aligned with Paris Agreement goals	Amend Articles to disclose plan outlining company's business strategy to align with Paris Agreement	Multiple (not disclosed)	Resolution to amend Constitution, Ordinary resolution on Paris goals and targets, resolution on climate related lobbying, resolution on reputation advertising activities.
<b>How the manager voted</b>	Against the re-election of directors; For the independent chair proposal	For	Against	For all	Against all
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	Not provided	n/a	Not provided	n/a	Not provided
<b>Rationale for the voting decision</b>	BlackRock voted against the re-election of the directors for insufficient progress on the TCF aligned reporting and related action. They voted for the independent chair on account of the belief that the board would benefit from a more robust independent leadership structure.	Greater transparency into the company's approach to political spending and lobbying aligned with their stated support for the Paris Agreement will help articulate consistency between messaging in context of managing climate risk and transition to a low carbon economy.	Voted with the independent fiduciary which determined that the company now has policies in place that address the issues raised in the proposal.	Voted against multiple resolutions due to going concerns with oversight in relation to the emissions scandal, insufficient level of independence on the board and independence of the external auditor.	BlackRock is generally not supportive of constitutional amendment resolutions. They also believe that the climate-related resolutions are all sufficiently met by the company already and so voted with board against these resolutions.

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
<b>Outcome of the vote</b>	Not provided	Not provided	Not provided	Not provided	Not provided
<b>Implications of the outcome</b>	Not provided	Not provided	Not provided	Not provided	Not provided
<b>Criteria on which the vote is considered "significant"</b>	Not provided	Not provided	Not provided	Not provided	Not provided

### BlackRock, Currency Hedged Overseas Equity Fund – Table 2 of 2

	Vote 6	Vote 7	Vote 8	Vote 9	Vote 10
<b>Company name</b>	AGL ENERGY LTD	KOREA ELECTRIC POWER	QUALCOMM INC	LAIR LIQUIDE SOCIETE ANONYME POUR	BANCO SANTANDER SA
<b>Date of vote</b>	7 Oct 2020	9 Nov 2020	10 March 2020	5 May 2020	10 June 2020
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	Not provided	Not provided	Not provided	Not provided	Not provided
<b>Summary of the resolution</b>	Approve Coal Closure dates	Elect Choi Young-ho as inside director and member of audit committee	Multiple (not disclosed)	Re-elect Brian Gilvary as director, Elect Anette Bronder and Kim Ann Mink as Directors	Report on risk of racial discrimination in vehicle lending
<b>How the manager voted</b>	For	For	Against all	Against re-election; For new directors	For
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	n/a	n/a	Not provided	Not provided	n/a

	Vote 6	Vote 7	Vote 8	Vote 9	Vote 10
<b>Rationale for the voting decision</b>	BlackRock believe the company, and its shareholders, would benefit from a continued focus on long-term strategic planning covering several decades.	While BlackRock remain concerned about the company's coal projects in Indonesia and Vietnam, BlackRock voted in favour of the candidate for reasons including that he is a new nominee and therefore not responsible for KEPCO's past decisions.	BlackRock held the board accountable by voting against election of longest-tenured compensation committee member and against the Advisory Vote on Compensation.	BlackRock voted against the re-election of Brian Gilvary for the company's lack of progress on climate-related reporting in alignment with the TCFD recommendations. We supported the elections of both Anette Bronder and Kim Ann Mink as they are new to the company's board.	BlackRock voted for the proposal, as discriminatory lending practices are a material risk to the company's business and shareholders would benefit from increased and improved disclosure on compliance programs, processes and procedures, as well as risk mitigation processes and procedures, to prevent Discriminatory lending (including racial discrimination).
<b>Outcome of the vote</b>	Not provided	Not provided	Not provided	Not provided	Not provided
<b>Implications of the outcome</b>	Not provided	Not provided	Not provided	Not provided	Not provided
<b>Criteria on which the vote is considered "significant"</b>	Not provided	Not provided	Not provided	Not provided	Not provided

## BlackRock, Overseas Fixed Benchmark Equity Fund – Table 1 of 2

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
<b>Company name</b>	EXXON MOBIL CORP	CHEVRON CORP	MIZUHO FINANCIAL GROUP	VOLKSWAGEN AG	WOODSIDE PETROLEUM LTD
<b>Date of vote</b>	27 May 2020	27 May 2020	25 June 2020	30 Sep 2020	30 April 2020
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	Not provided	Not provided	Not provided	Not provided	Not provided
<b>Summary of the resolution</b>	Elect Director Angela Braly Elect Director Kenneth Frazier Require Independent Board Chair	Report on Climate Lobbying aligned with Paris Agreement goals	Amend Articles to disclose plan outlining company's business strategy to align with Paris Agreement	Multiple (not disclosed)	Resolution to amend Constitution, Ordinary resolution on Paris goals and targets, resolution on climate related lobbying, resolution on reputation advertising activities.
<b>How the manager voted</b>	Against the re-election of directors; For the independent chair proposal	For	Against	For all	Against all
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	Not provided	n/a	Not provided	n/a	Not provided
<b>Rationale for the voting decision</b>	BlackRock voted against the re-election of the directors for insufficient progress on the TCF aligned reporting and related action. They voted for the independent chair on account of the belief that the board would benefit from a more robust independent leadership structure.	Greater transparency into the company's approach to political spending and lobbying aligned with their stated support for the Paris Agreement will help articulate consistency between messaging in context of managing climate risk and transition to a low carbon economy.	Voted with the independent fiduciary which determined that the company now has policies in place that address the issues raised in the proposal.	Voted against multiple resolutions due to going concerns with oversight in relation to the emissions scandal, insufficient level of independence on the board and independence of the external auditor.	BlackRock is generally not supportive of constitutional amendment resolutions. They also believe that the climate-related resolutions are all sufficiently met by the company already and so voted with board against these resolutions.



	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
<b>Outcome of the vote</b>	Not provided	Not provided	Not provided	Not provided	Not provided
<b>Implications of the outcome</b>	Not provided	Not provided	Not provided	Not provided	Not provided
<b>Criteria on which the vote is considered "significant"</b>	Not provided	Not provided	Not provided	Not provided	Not provided

### BlackRock, Overseas Fixed Benchmark Equity Fund – Table 2 of 2

	Vote 6	Vote 7	Vote 8	Vote 9	Vote 10
<b>Company name</b>	AGL ENERGY LTD	KOREA ELECTRIC POWER	LAIR LIQUIDE SOCIETE ANONYME POUR	BANCO SANTANDER SA	TOSHIBA CORP
<b>Date of vote</b>	7 Oct 2020	9 Nov 2020	5 May 2020	10 June 2020	27 March 2020
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	Not provided	Not provided	Not provided	Not provided	Not provided
<b>Summary of the resolution</b>	Approve Coal Closure dates	Elect Choi Young-ho as inside director and member of audit committee	Re-elect Brian Gilvary as director, Elect Anette Bronder and Kim Ann Mink as Directors	Report on risk of racial discrimination in vehicle lending	Approval regarding introduction of response policies for a tender offer; allotment of share options without contribution
<b>How the manager voted</b>	For	For	Against re-election; For new directors	For	For
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	n/a	n/a	Not provided	n/a	n/a

	Vote 6	Vote 7	Vote 8	Vote 9	Vote 10
<b>Rationale for the voting decision</b>	BlackRock believe the company, and its shareholders, would benefit from a continued focus on long-term strategic planning covering several decades.	While BlackRock remain concerned about the company's coal projects in Indonesia and Vietnam, BlackRock voted in favour of the candidate for reasons including that he is a new nominee and therefore not responsible for KEPCO's past decisions.	BlackRock voted against the re-election of Brian Gilvary for the company's lack of progress on climate-related reporting in alignment with the TCFD recommendations. We supported the elections of both Anette Bronder and Kim Ann Mink as they are new to the company's board.	BlackRock voted for the proposal, as discriminatory lending practices are a material risk to the company's business and shareholders would benefit from increased and improved disclosure on compliance programs, processes and procedures, as well as risk mitigation processes and procedures, to prevent Discriminatory lending (including racial discrimination).	BlackRock believes it was in their clients' interests to vote in favor of the introduction of the shareholder rights plan for a number of reasons. The proposed plan was structured appropriately and a limited duration until the annual shareholder meeting scheduled in June 2020, satisfied their stringent requirements related to safeguards and to prevent the plan being used as a tool for management entrenchment. They carefully considered the conditions of the tender offer and the public statements made by the bidder.
<b>Outcome of the vote</b>	Not provided	Not provided	Not provided	Not provided	Not provided
<b>Implications of the outcome</b>	Not provided	Not provided	Not provided	Not provided	We will continue to engage with the management and the board to monitor progress on the delivery of the midterm plan and corporate governance improvements.
<b>Criteria on which the vote is considered "significant"</b>	Not provided	Not provided	Not provided	Not provided	Not provided

## LGIM, UK Equity Index Fund

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
<b>Company name</b>	International Consolidated Airlines Group	Pearson	SIG plc.	Barclays	Rank Group
<b>Date of vote</b>	7 Sep 2020	18 Sep 2020	9 July 2020	7 May 2020	11 Nov 2020
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	Not provided	Not provided	Not provided	Not provided	Not provided
<b>Summary of the resolution</b>	Approve Remuneration Report' proposed at the company's annual shareholder meeting	Amend remuneration policy' was proposed at the company's special shareholder meeting	Approve one-off payment to Steve Francis' proposed at the company's special shareholder meeting.	Approve Barclays' Commitment in Tackling Climate Change, Resolution 30 - Approve ShareAction Requisitioned Resolution	Approve the remuneration report; and resolution 3 Approve remuneration policy.
<b>How the manager voted</b>	Against	Against	Against	For both	For
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	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.				
<b>Rationale for the voting decision</b>	<p>LGIM encouraged the board to demonstrate restraint and discretion with its executive remuneration. They were concerned about the level of bonus payments. 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.</p>	<p>LGIM spoke with the chair of the board earlier this year, on the board's succession plans. They discussed the shortcomings of the company's current remuneration and also spoke with the chair before the EGM, to relay their concerns. In the absence of any changes, LGIM took the decision to vote against the amendment to the remuneration policy.</p>	<p>LGIM does not generally support one-off payments. They 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. The additional payment was a concern because it was a large amount for work carried out over a two-month period and was to be paid in cash at a time when the company's liquidity position was poor.</p>	<p>The resolution proposed by Barclays sets out its long-term plans and has the backing of ShareAction and co-filers. We are particularly grateful to the Investor Forum for the significant role it played in coordinating this outcome.</p>	<p>LGIM noted the remuneration committee's decision to apply a 20% deduction and cancel the planned increase of salaries of the executives and fees of the board members. They were comfortable that the impact of COVID-19 had been appropriately reflected in the remuneration of the executives and therefore decided to support the remuneration report.</p>

<b>Outcome of the vote</b>	Pass. 28.4% of shareholders opposed the report.	Pass. 33% of shareholders voted against the appointment of the new CEO.	Pass. However, 44% of shareholders did not support it.	Resolution 29 -Pass. Resolution 30 – Not passed.	Pass. This is interesting as proxy voting agency ISS voted against.
<b>Implications of the outcome</b>	LGIM will continue to engage closely with the renewed board.	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.	LGIM plan to continue to work closely with the Barclays board and management team in the development of their plans and will liaise with ShareAction and other large investors, to continue to drive positive change.	Our engagement with the company on the topic of remuneration led to an informed vote decision by LGIM.
<b>Criteria on which the vote is considered “significant”</b>	LGIM considers this vote significant as it illustrates the importance for investors of monitoring our investee companies' responses to the COVID crisis.	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.	LGIM consider the outcome to be extremely positive for all parties: Barclays, ShareAction and long-term asset owners such as our clients.	It illustrates the complexity of remuneration practices and the importance of engagement. The media also expected this shareholder meeting would trigger a substantial amount of votes against.