

State Street UK Pension and Life Assurance Scheme

Annual Implementation Statement for the Year Ended 31 August 2021

1. Introduction

This statement sets out how, and the extent to which, the Statement of Investment Principles (“SIP”) produced by the Trustees has been followed during the year running from 1 September 2020 to 31 August 2021 (the “**Scheme Year**”). This statement has been produced in accordance with the Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018 (as amended) and the guidance published by the Pensions Regulator.

Sections 2.1 and 2.2 of this statement sets out the investment objectives of the State Street UK Pension and Life Assurance Scheme (“Scheme”) and the changes which have been made to the SIP during the Scheme Year, respectively.

Section 2.3 of this statement sets out how, and the extent to which, the policies in the Defined Benefit (“DB”) Section and Defined Contribution (“DC”) Section of the SIP have been followed. **The Trustees can confirm that all policies in the SIP have been followed in the Scheme Year.**

 A copy of the SIP is available at <https://www.statestreet.com/utility/united-kingdom/legal-disclosure.html>

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

2. Statement of Investment Principles

2.1. Investment Objectives of the Scheme

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



The Trustees' overall aim is to make sure that the obligations to the beneficiaries of the Scheme are met.

Additional aims encompass the following:

- To ensure that there are sufficient assets to meet benefit payments as and when they fall due.
- To maintain a high probability of achieving and maintaining a fully funded position on the Scheme's actuarial valuation basis in accordance with advice received by the Actuary and as agreed with the Company from time to time.



For the DC section of the Scheme, the Trustees' principal mission is to help members to maximise their retirement outcomes with an appropriate level of investment risk, by providing an appropriate investment framework which represents value for members and which is in line with recognised market "good practice", taking into account guidance from the Pensions Regulator and other appropriate industry and regulatory bodies.

In addition to the principal mission as stated above, the investment objectives are set out below:

The Trustees recognise that individual members have differing investment needs and that these may change during the course of a member's working life. The Trustees also recognise that members have different attitudes to risk. The Trustees believe that members should be allowed to make their own investment decisions based on their individual circumstances.

In order to encompass these factors, the Trustees have agreed the following investment objectives:

- To offer members who do not wish to actively select their own investment options, a Default Lifestyle Strategy (described in more detail below).
- To make available a range of investment options so members can choose an investment strategy tailored to their personal investment needs and attitudes.
- To offer funds which allow diversification of risk and long-term capital growth.
- To encourage members to seek independent financial advice to determine the profile of their own investments.
- To review the suitability of the options offered to members and investment manager arrangements on a regular basis.

The Trustees periodically review the suitability of the investment options provided and from time to time will change or introduce additional investment funds as appropriate.



2.2. Review of the SIP

During the Scheme Year, the Trustees reviewed and amended the Scheme's SIP, taking formal advice from its Investment Consultant (Mercer Limited ("Mercer")). A revised SIP was signed on September 2020 in order to reflect new requirements under The Occupational Pension Scheme (Investment and Disclosure) (Amendment) Regulations 2019 to outline the Trustees' arrangements with its asset manager.

In particular the new regulations asked for Trustees to set out their policies in relation to arrangements with asset managers, and specifically cover the following points:

- How the arrangement with the asset manager incentivises the asset manager to align its investment strategy and decisions with the trustees' policies
- How that arrangement incentivises the asset manager to make decisions based on assessments about medium to long term financial and non financial performance of an issuer of debt or equity and to engage with issuers of debt or equity in order to improve their performance in the medium to long term
- How the method (and time horizon) of the evaluation of the asset manager's performance and the remuneration for asset management services are in line with the trustees' policies
- How the trustees monitor portfolio turnover costs incurred by the asset manager, and how they define and monitor targeted portfolio turnover
- The duration of the arrangement with the asset manager

More recently, a revised SIP was signed in November 2021, in order to reflect the investment changes that occurred during the Scheme Year, as a result of the review of the Scheme's DC Section investment strategy in December 2020, which were:

- The selection of Fidelity as the Scheme's investment platform provider and the subsequent transfer of assets from State Street Global Advisers Limited ("SSGA") to Fidelity.
- The change the default investment strategy from targeting annuity purchase to targeting drawdown at retirement, taking into consideration the current market environment, Scheme specific member analysis and industry trends.
- The changes to the self-select fund range, including the addition of a sustainable equity fund, an emerging markets equity fund and a corporate bond fund.

These changes were implemented in March 2021.

Additionally, the revised SIP was updated to reflect the transfer of the Standard Life unit linked AVCs to the Fidelity investment platform, which occurred during the Scheme Year.

2.3. Assessment of how the policies in the SIP have been followed for the Scheme Year

The information provided in this section highlights the work undertaken by the Trustees during the Scheme Year, and longer term where relevant, and sets out how this work followed the Trustees' policies in the SIP, relating to the Scheme as a whole and the default investment arrangement (for the DC Section only).



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



Investment Mandates

Securing compliance with the legal requirements about choosing investments

Policy

The Trustees consider the investment objectives and policies when choosing investments either for the DB Section or DC Section of the Scheme. The Trustees receive written advice from their Investment Consultant on any investments prior to them being implemented. The advice received and arrangements implemented are, in the Trustees' opinion, consistent with the requirements of Section 36 of the Pensions Act 1995 (as amended).



How has this policy been met over the Scheme Year?

There were no investment changes during the Scheme Year. Any concerns on fund performance were discussed with the Scheme's investment consultant.

The Trustees received written advice from the investment consultant, Mercer Limited ("Mercer"), relating to the revised SIP that was agreed in September 2020.



How has this policy been met over the Scheme Year?

In December 2020, a triennial investment strategy review was undertaken. Investment advice was sought and received from the investment consultant, Mercer, in relation to the changes to the Scheme's investment arrangements implemented on Fidelity's investment platform in March 2021. The following changes were implemented:

- Introduced a drawdown lifestyle strategy and made it the default strategy for the Scheme, based on the industry trends and membership demographics. The drawdown lifestyle utilises a specialised drawdown fund during the de-risking phase, specifically the LGIM Retirement Income Multi-Asset ("RIMA") Fund.
- Reduced the expected risk in the growth phase of all lifestyle strategies by introducing a 50% allocation to a diversified growth fund, specifically the LGIM Diversified Fund.
- Decreased the de-risking period of all lifestyle strategies from 10 years to 8 years.
- Added new funds in the self-select options, including the State Street UK PLAS DC Sustainable Passive Equity Fund, the State Street UK PLAS DC Passive Emerging Markets Equity Fund and the State Street UK PLAS DC Passive Corporate Bond Fund
- Mapping of Unit-linked AVC funds to the new self-select fund range.

The next investment strategy review is expected to be carried out during 2023.



Investment Mandates

Realisation of Investments

Policy

In the DB Section, the Trustees' policy is that the Trustees' administrators will realise assets following member requests on retirement or earlier where required. In the DC Section, assets in the default investment options are invested in daily traded pooled funds which hold highly liquid assets. The pooled funds are commingled investment vehicles which are managed by various investment managers. The selection, retention and realisation of assets within the pooled funds are delegated to the respective investment managers in line with the mandates of the funds.



Policy

Further details are set out in the following sections of the SIP:

- Objectives and Policy (SIP Section 2.1, and 6)
- Day to Day Management (SIP Section 2.4)

How has this policy been met over the Scheme Year?

A working cash balance is held in the SSGA Sterling Liquidity Fund in order to meet payments as they fall due. This balance is topped up (typically to about £5m) as required.



Policy

Further details are set out in the following sections of the SIP:

- Policies in relation to the default strategy (SIP Section 3.4.1)

How has this policy been met over the Scheme Year?

There were no changes during the year to the liquidity of the funds used by the Scheme. All assets are daily-dealt pooled investment arrangements, with assets mainly invested and listed in regulated markets, and therefore should be realisable at short notice, based on member demand.

The Trustees receive administration reports on a quarterly basis to ensure that core financial transactions are processed within service level agreements and regulatory timelines. As confirmed in the Chair's Statement, the Trustees are satisfied that all requirements were met throughout the year.



Environmental, Social and Governance (“ESG”)

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

Policy

The Scheme’s SIP outlines the Trustees’ beliefs on ESG factors (including climate change). Further details are included in Section 8 (Responsible Investment and Corporate Governance) of the SIP, which applies to the DB and DC Sections of the Scheme.

How has this policy been met over the Scheme Year?



The investment performance reports, manager briefings and ESG reviews are reviewed by the Trustees on a regular basis – these include ratings (both general and specific ESG) from the investment consultant. All of the managers remained generally highly rated during the Scheme Year.

The Scheme's SIP includes the Trustees' policy on ESG factors, stewardship and Climate Change. This policy sets out the Trustees' beliefs on ESG and climate change and the processes followed by the Trustees in relation to voting rights and stewardship. The Trustees keep their policies under regular review with the SIP subject to review at least triennially.

Where managers may not be highly rated from an ESG perspective, the Trustees continue to monitor them. When implementing a new manager the Trustees consider the ESG rating of the manager. In the triennial investment strategy review for the DC Section of the Scheme undertaken during the Scheme Year, the ESG rating of the managers were taken into consideration. Additionally, the Trustees included a climate change/sustainable fund in the self-selection fund range.

The Trustees acknowledge that managers in fixed income (particularly for passive funds) do not have a high ESG rating assigned by the investment consultant due to the nature of the asset class, where it is harder to engage with the issuer of debt.

The investment performance report includes how each investment manager is delivering against their specific mandates.



Voting and Engagement Disclosures

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

Policy

The Trustees expect the underlying managers to evaluate ESG factors, including climate change considerations, exercising voting rights and stewardship obligations attached to investments, in accordance with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code. As a result, the Trustees have given the Investment Managers full discretion when evaluating ESG issues and in exercising rights and stewardship obligations attached to the Scheme's investments.

Further details are set out in Section 8 (Responsible Investment and Corporate Governance) of the SIP, which applies to the DB and DC Sections of the Scheme.

How has this policy been met over the Scheme Year?



As the assets of the Scheme are invested in pooled funds, the Trustees have delegated their voting rights to the investment managers. As such, this activity is expected to be undertaken on the Trustees' behalf. The Trustees do not use the direct services of a proxy voter, however the investment managers may enlist the service of a proxy voter when required.

During the year under review, the Trustees did not actively challenge the investment managers on their voting activity.

Section 3 of this report includes examples of engagement activity undertaken by the Scheme's investment managers with investments in equities, and section 4 sets out a summary of voting activity and a sample of the most significant votes cast on behalf of the Trustees by these investment managers.



Monitoring the Investment Managers

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

Policy

The Trustee's policy is set out in Section 8 (Responsible Investment and Corporate Governance) of the SIP, which applies to the DB and DC Sections of the Scheme.



How has this policy been met over the Scheme Year?

As the Trustees invest predominately in pooled investment funds, they accept that they cannot specify the risk profile and return targets for these funds. However, the Trustees have continued to review the appropriateness of the funds to ensure that they are aligned with the investment strategy being targeted.



How has this policy been met over the Scheme Year?

The Trustees considered the extent to which the investment options and benefits offered by the Scheme represent value for members, compared with other options available in the market. In November 2021, the Trustees undertook a Value for Members (VfM) assessment for the DC Section. The Trustees concluded that the Scheme's overall benefits and options represented good value for money in comparison to the costs payable by members.

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

Policy

The Trustee's policy is set out in Section 8 (Responsible Investment and Corporate Governance) of the SIP, which applies to the DB and DC Sections of the Scheme.



How has this policy been met over the Scheme Year?

Over the year, the Trustees have received quarterly investment performance dashboard from the investment consultant which show performance (versus relevant benchmarks and targets) over shorter and longer-term periods.



How has this policy been met over the Scheme Year?

The Trustees' focus is on longer-term performance but shorter-term performance is monitored to ensure any concerns can be identified in a timely manner. The Trustees reviewed both absolute and relative performance of the investment funds through investment performance reports provided on a quarterly basis.

The remuneration for investment managers used by the Scheme is based on assets under management; these fees were reviewed November 2021 as part of the annual value for money assessment. The Trustees concluded that, from a price perspective, the Scheme offers good value for money.



Monitoring the Investment Managers

Monitoring portfolio turnover costs

Policy

The Trustees' policy is set out in Section 8 (Responsible Investment and Corporate Governance) of the SIP, which applies to the DB and DC Sections of the Scheme.



How has this policy been met over the Scheme Year?

The Trustees do not currently monitor portfolio turnover but may consider doing this where information is available and as part of future governance reviews.



How has this policy been met over the Scheme Year?

The Trustees considered the portfolio turnover costs as part of the transaction cost charges disclosures provided for the Chair's Statement and as part of the Value for Members assessment.

The duration of the arrangements with asset managers

Policy

The Trustees is a long-term investor and does not seek to change the investment arrangements on a frequent basis. Further details of the Trustee's policy are set out in Section 8 (Responsible Investment and Corporate Governance) of the SIP, which applies to the DB and DC Sections of the Scheme.



How has this policy been met over the Scheme Year?

No changes were made to the appointed investment managers during the Plan Year. The Trustees remain comfortable with the Scheme's appointed investment managers.

Investment managers are aware that their continued appointment is based on their success in delivering the mandate for which they have been appointed to manage. If the Trustees are dissatisfied, then they will look to replace the manager.



How has this policy been met over the Scheme Year?

The Trustees are long-term investors, all funds are open-ended and therefore there is no set duration for manager appointments.

The Trustees are responsible for the selection, appointment, monitoring and removal of the investment managers.

The Trustees may also choose to remove a fund from the fund range, if no longer considered appropriate. The fund range is formally reviewed on at least a triennial basis.

During the year, changes were made to the fund range as a result of the latest triennial strategy review undertaken in December 2020.



Strategic Asset Allocation

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



Policy

The Trustee's policy on the kinds of investments to be held and the balance between different kinds of investments can be found under the following sections of the SIP:

- Objectives and Policy (SIP Section 2.1)
- Investment Strategy (SIP Section 2.3)

How has this policy been met over the Scheme Year?

The Scheme's investment arrangements are reviewed periodically. No changes to the strategic asset allocation were made in the year ended 31 August 2021.

Over the 3 years to date, the Scheme has returned 9.1% p.a., gross of fees. No actions were taken by the Trustees over the year in respect of manager appointments. All mandates have performed largely as expected and in keeping with their relevant risk/return profiles.



Policy

The Trustees' policy on the kind of investments to be held and the balance between different kinds of investments can be found under the following sections of the SIP:

- Investment Objectives (SIP Section 3.1)
- Investment Strategy (SIP Section 3.3)

How has this policy been met over the Scheme Year?

Over the year, the Trustees received investment performance reports on a quarterly basis for all of the funds within the Lifestyle strategies in addition to the self-select funds. This included fund performance against benchmarks over both short and longer-term periods. Investment performance is reviewed by the Trustee at the quarterly Investment Committee meetings. For the period from 01 September 2020 to 31 March 2021, the investment performance reports reviewed the performance of the SSGA funds, and for the period from 01 April 2021 to 31 August 2021, the funds with the Fidelity platform.

The Trustees were satisfied with the performance of the majority of funds over the Scheme Year.



Strategic Asset Allocation

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



Policy

The Trustee recognises a number of risks involved in the investment of the assets of the DB Section. Details of these risks and how they are measured and managed can be found under the following section of the SIP:

- Risk Management (SIP Section 2.2)

The Trustee considers both quantitative and qualitative measures for a number of risks on an ongoing basis when deciding investment policies, strategic asset allocation, and the choice of asset classes, funds, and asset managers.

How has this policy been met over the Scheme Year?

During the year, the Trustees monitor the investment manager's performance on a quarterly basis, and compare the investment returns with the appropriate performance objectives to ensure continuing acceptable performance and control for Manager Risk.

Other risks were managed during the year as described in the SIP (Section 2.2).

The quarterly investment performance reports, manager briefings and ESG reviews the Trustees received and reviewed included Fund and Manager overviews including ratings by the Trustees investment advisors on ESG factors.



Policy

The Trustees recognise a number of risks involved in the investment of the assets of the DC Section and that the choice and allocation of investments can help to mitigate these risks. Details of these risks and how they are measured and managed can be found under the following section of the SIP:

- Investment Policies (SIP Section 3.4.1)

In determining which investment options to make available the Trustees consider the investment risk associated with DC pension investment. The risk can be defined as the uncertainty over the ultimate amount of savings available on retirement.

How has this policy been met over the Scheme Year?

During the year, the Trustees monitored the investment manager's performance on a quarterly basis, and compared the investment returns with the appropriate performance objectives to ensure continuing acceptable performance.

The Trustees received administration reports over the year which were reviewed by the Trustees to ensure that core financial transactions were processed within agreed service levels and regulatory timelines.



The Trustees maintain a register of key risks, including investment risks, which is reviewed annually by the Governance Committee or more frequently if new risks are identified. 'Top' risks are also reviewed quarterly. The register of key risks rates the impact and likelihood of the risks and identifies mitigating factors and additional actions taken.

3. Overview of the Approach to Voting and Engagement by the Scheme's Equity Investment Managers



Overview of State Street Global Advisors (SSGA) Approach to Voting and Engagement

In order to facilitate SSGA's proxy voting process, SSGA retains Institutional Shareholder Services Inc. (ISS), a firm with expertise in proxy voting and corporate governance. SSGA utilizes ISS's services in three ways. First, as SSGA's proxy voting agent, ISS provides SSGA with vote execution and administration services. Second, ISS applies SSGA's Proxy Voting Guidelines where appropriate. Lastly, ISS provides the highest level of research and analysis related to general corporate governance issues and specific proxy items.

The Stewardship team reviews its Proxy Voting Guidelines with ISS on an annual basis or on a case- by-case basis as needed. ISS affects the proxy votes in accordance with SSGA's Proxy Voting Guidelines. Voting matters that are nuanced or that require additional analysis are referred to and reviewed by members of the Stewardship team. Members of the Stewardship team evaluate the proxy solicitation to determine how to vote based on facts and circumstances consistent with SSGA's Proxy Voting Guidelines, which seek to maximize the value of our client accounts.

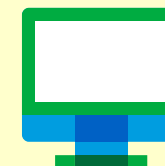
The following is an example of engagement activity undertaken by SSGA:

State Street Global Advisors (SSGA) engages with Amazon.com Inc on Ethical Content Management

In October 2020, SSGA team conducted an engagement with companies that run social media platforms to understand how they manage the unique risks created by their products.

During the conversation, SSGA asked how the company manages hateful and violent content on Twitch, its popular gaming platform. The Amazon team committed to engaging with the appropriate teams internally to provide more information.

In December 2020, they contacted SSGA to share the update that Twitch implemented guidelines to limit hateful content and harassment on the site, a policy that attracted significant press coverage.





Overview of LGIM Approach to Voting and Engagement

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

All decisions are made by LGIM's Investment Stewardship team and in accordance with LGIM relevant Corporate Governance & Responsible Investment and Conflicts of Interest policy documents which are reviewed annually. Each member of the team is allocated a specific sector globally so that the voting is undertaken by the same individuals who engage with the relevant company. This ensures LGIM's stewardship approach flows smoothly throughout the engagement and voting process and that engagement is fully integrated into the vote decision process, therefore sending consistent messaging to companies.



Overview of BlackRock Approach to Voting and Engagement

BlackRock's team and its voting and engagement work continuously evolves in response to changing governance related developments and expectations. BlackRock's voting guidelines are market-specific to ensure BlackRock take into account a company's unique circumstances by market, where relevant. BlackRock informs on vote decisions through research and engage as necessary. BlackRock engagement priorities are global in nature and are informed by BlackRock's observations of governance related and market developments, as well as through dialogue with multiple stakeholders, including clients. BlackRock may also update its regional engagement priorities based on issues that BlackRock believes could impact the long-term sustainable financial performance of companies in those markets. BlackRock welcomes discussions with clients on engagement and voting topics and priorities to get their perspective and better understand which issues are important to them. As outlined in our Global Principles, BlackRock determines which companies to engage directly based on BlackRock's assessment of the materiality of the issue for sustainable long-term financial returns and the likelihood of its engagement being productive. BlackRock's voting guidelines are intended to help clients and companies understand our thinking on key governance matters. They are the benchmark against which BlackRock assesses a company's approach to corporate governance and the items on the agenda to be voted on at the shareholder meeting. BlackRock applies guidelines pragmatically, taking into account a company's unique circumstances where relevant. BlackRock informs on vote decisions through research and engage as necessary. If a client wants to implement their own voting policy, they will need to be in a segregated account. BlackRock's Investment Stewardship team would not implement the policy themselves, but the client would engage a third-party voting execution platform to cast the votes.

4. Voting Activity during the Scheme Year

Set out below is a summary of voting activity for this reporting period relating to the relevant strategies in the DB Section of the Scheme. Voting information is not provided for AXA Buy and Maintain Credit, Wellington Buy and Maintain Credit and SSgA LDI) given the nature of the underlying investments.



Source: SSGA

The voting data relates to the period from 1 July 2020 to 30 June 2021. At the date of drafting the information covering the year to 31 August 2021 was not yet available.



Sample of the most significant votes

There is no official definition of what constitutes a significant vote; managers have adopted a variety of interpretations such as:

- There is a particular interest in a specific vote relating to an issue,
- The potential impact on the financial outcome,
- Size of the holding in the fund / mandate, and
- Whether the vote was high-profile or controversial.

Manager	Fund	Company	Date of vote	How the Manager voted	Rationale of Manager vote
SSGA	Strategic Diversified Fund	Mitsubishi UFJ Financial Group, Inc.	June 29th, 2021	Voted Against (with management) a Report on Climate Change	The manager believed this proposal did not merit support as the company's disclosure and/or practices related to climate change are reasonable.
		The Coca-Cola Company	April 20th, 2021	Voted Against (with management) a Resolution on Product Toxicity and Safety	SSGA believed the proposal did not merit support as the company's disclosure and/or practices pertaining to the item are reasonable.

Voting Activity during the Scheme Year



Set out below is a summary of voting activity for this reporting period relating to the relevant strategies in the DC Section of the Scheme. It covers the funds with SSGA in which the Scheme was invested until March 2021 and the funds with Fidelity in which the Scheme is currently invested. Funds where voting is not applicable (i.e. non-equity funds) are not included in the list below.

SSGA¹						
Fund	Managed by	Vote with Management	Vote Against Management	Abstain Vote	Eligible Meetings	Eligible Voting Resolutions
UK Equity Fund – Passive	SSGA	91.4%	8.6%	0.6%	740	10,486
Global Equity Fund (hedged) – Passive	SSGA	89.9%	10.1%	1.4%	3,544	43,721
Dynamic Diversified Fund	SSGA	87.0%	12.9%	1.5%	5,789	61,546
Fidelity						
Fund	Underlying fund	Vote with Management	Vote Against Management	Abstain Vote	Eligible Meetings	Eligible Voting Resolutions
State Street UK PLAS DC Diversified Growth Fund ²	L&G Diversified 150 Fund	80.5%	18.8%	0.7%	8,706	90,870
State Street UK PLAS DC Passive Global Equity Fund ²	L&G Global Developed Small Cap Index Fund	77.3%	22.5%	0.2%	3,549	36,851
	BlackRock Aquila Connect Currency Hedged Global Equity (10:80:10) Fund	91.0%	8.0%	1.0%	5,326	58,266
State Street UK PLAS DC Passive UK Equity Fund	SSGA UK ESG Screened Index Equity Sub-Fund	91.9%	7.9%	0.2%	741	10,325
State Street UK PLAS DC Drawdown Fund	L&G Retirement Income Multi Asset Fund	81.0%	18.3%	0.7%	9,375	99,325
State Street UK PLAS DC Passive Emerging Markets Equity Fund	BlackRock Emerging Market Index Fund	90.0%	9.0%	3.0%	2,454	23,094
Fidelity State Street UK PLAS DC Sustainable Passive Global Equity Fund	L&G Future World Fund	81.6%	17.5%	0.9%	2,651	32,705

Source: SSGA and Fidelity

¹The voting activity data of the SSGA funds relates to the 12 months period up to 31 March 2021. ² This fund is part of the State Street UK PLAS DC Growth Fund.



Sample of the most significant votes



Resolution **not** passed



Resolution passed

There is no official definition of what constitutes a significant vote; managers have adopted a variety of interpretations such as:

- There is a particular interest in a specific vote relating to an issue,
- The potential impact on the financial outcome,
- Size of the holding in the fund / mandate, and
- Whether the vote was high-profile or controversial.
- Themes that will encourage sound governance practices and deliver sustainable long-term financial performance.

Fund	Company	Date of vote	How the Manager voted	Rationale of Manager vote	Final outcome following the vote
UK Equity Fund – Passive UK Equity Fund – Passive	Cineworld Group Plc	25/01/2021	Voted AGAINST the Resolution to Approve Remuneration Policy	This item does not merit support as SSGA has concerns with the proposed remuneration structure for senior executives at the company.	
	Just Eat Takeaway.com NV	07/10/2020	Voted AGAINST the Resolution to Approve Remuneration Policy	This item does not merit support as SSGA has concerns with the proposed remuneration structure for senior executives at the company.	
Global Equity Fund (hedged) – Passive	Alimentation Couche-Tard Inc.	16/09/2020	Voted AGAINST the Resolution about Link Executive Pay to Social Criteria	This item does not merit support due to concerns with the terms of the proposal.	
	Oracle Corporation	04/11/2020	Voted AGAINST the Resolution about Advisory Vote to Ratify Named Executive Officers' Compensation	This item does not merit support as SSGA has concerns with the proposed remuneration structure for senior executives at the company.	
Dynamic Diversified Fund Dynamic Diversified Fund	The Procter & Gamble Company	13/10/2020	Voted FOR the Resolution about Community - Environment Impact	This proposal merits support as the company's environmental disclosure and/or practices can be improved.	
	Tesla, Inc.	22/09/2020	Voted AGAINST the Resolution about Advisory Vote to Ratify Named Executive Officers' Compensation	This item does not merit support as SSGA has concerns with the proposed remuneration structure for senior executives at the company.	



Sample of the most significant votes



Resolution **not** passed



Resolution passed

Fund	Company	Date of vote	How the Manager voted	Rationale of Manager vote	Final outcome following the vote
L&G Diversified Fund	Citrix Systems, Inc.	04/06/2021	Voted AGAINST the Resolution 1.b Elect Director Nanci E. Caldwell	LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.	
	International Flavors & Fragrances Inc.	05/05/2021	Voted AGAINST the Resolution 1g Elect Director Andreas Fibig	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.	
Global Developed Small Cap Index	Petropavlovsk Plc	30/06/2021	Voted AGAINST the Resolution about the re-election of James Cameron Jr as Director	As part of LGIM efforts to influence their investee companies on having greater gender balance, they apply voting sanctions to those FTSE 350 companies that do not have a minimum of 30% women on the board.	
	Plus500 ltd.	16/09/2020	Voted AGAINST the Resolution 17 to Approve Special Bonus Payment to CFO Elad Even-Chen' at the company's special shareholder meeting.	LGIM voted against the special bonus based on the belief that such transaction bonuses do not align with the achievement of pre-set targets.	
Aquila Connect Currency Hedged Global Equity	Tesla, Inc,	22/09/2020	Voted AGAINST the Resolution about Additional Reporting on Human Rights	Company already has policies in place to address these issues.	
	The Procter & Gamble Company	13/10/2020	Voted AGAINST the Resolution to Publish Annually a Report Assessing Diversity and Inclusion Efforts	Company already has policies in place to address these issues.	
UK ESG Screened Index Equity Sub-Fund	Royal Dutch Shell Plc	18/05/2021	Voted AGAINST the Resolution about GHG Emissions	This proposal does not merit support as the company's disclosure and/or practices related to GHG emissions are reasonable.	
	Avon Rubber Plc	29/01/2021	Voted AGAINST the Resolution about Advisory Vote to Ratify Named Executive Officers' Compensation	This item does not merit support as SSGA has concerns with the proposed remuneration structure for senior executives at the company.	
L&G Future World	Sumitomo Corporation	18/08/2021	Voted FOR the Shareholder Resolution 5 to Amend Articles to Disclose Plan Outlining Company's Business Strategy to Align Investments with Goals of Paris Agreement	LGIM believe their support for the shareholder resolution will help signal the importance of the climate emergency for us as a large investor and our expectations for companies to align urgently with the goals of the Paris Agreement.	
	Mitsubishi UFJ Financial Group, Inc.	29/06/2021	Voted FOR the Resolution 3 to Amend Articles to Disclose Plan Outlining Company's Business Strategy to Align Investments with Goals of Paris Agreement	A vote in favour of this shareholder proposal is warranted as LGIM expects companies to be taking sufficient action on the key issue of climate change.	
BlackRock Emerging Market Index	Vale SA	30/04/2021	Voted AGAINST the Resolution to Elect Roberto da Cunha Castello Branco as Board Chairman Appointed by Shareholders	Proposal is not in shareholders' best interests.	
	Yanzhou Coal Mining Company Limited	09/12/2020	Voted AGAINST the Resolution to Approve Equity Interests and Assets Transfer Agreement	BlackRock believe that proposal is not in the best interest of shareholders	

