



Otter Controls Limited Retirement Benefits Scheme 31 October 2022

Background and Implementation Statement

Background

The regulatory landscape continues to evolve as ESG becomes increasingly important to regulators and society. The Department for Work and Pensions ('DWP') has increased the focus around ESG policies and stewardship activities by issuing further regulatory guidance relating to voting and engagement policies and activities. These regulatory changes recognise the importance of managing ESG factors as part of a Trustee's fiduciary duty.

Implementation Statement

This Implementation Statement is to provide evidence that the Scheme continues to follow and act on the principles outlined in the Statement of Investment Principles ('the SIP'). The Scheme's current SIP is dated March 2023.

The Implementation Statement details:

- actions (the Scheme) has taken to manage financially material risks and implement the key policies in its SIP
- the current policy and approach with regards to ESG and the actions taken with managers on managing ESG risks
- the extent to which the Scheme has followed policies on engagement covering engagement actions with its fund managers and in turn the engagement activity of the fund managers with the companies in the investment mandate
- voting behaviour covering the reporting year up to 31 October 2022 for and on behalf of the Scheme including the most significant votes cast by the Scheme or on its behalf

Summary of key actions undertaken over the Scheme reporting year

Over the reporting period, the Scheme invested in LDI and Equity-Linked LDI funds which aim to provide a degree of protection against adverse movements in interest rates and inflation expectations. Post Scheme year end, the Scheme disinvested from all LDI funds and invested in an Index-Linked Gilt fund which aims to provide the same degree of protection as the LDI funds, but without using leverage. The new strategy has agreed hedging targets of 47% on interest rate and 75% on inflation risks.

Implementation Statement

This report demonstrates that the Otter Controls Limited Retirement Benefits Scheme has adhered to its investment principles and its policies for managing financially material consideration including ESG factors and climate change.

Signed:

Position: Trustee Director

Date: 26 May 2023

Managing risks and policy actions

Risk / Policy	Definition	Policy	Actions and details on changes to policy
Interest rates and inflation	The risk of mismatch between the value of the Scheme assets and present value of liabilities from changes in interest rates and inflation expectations.	To invest in matching assets that move in line with the present value of the Scheme's liabilities.	Over the reporting period, the Scheme invested in LDI and Equity-Linked LDI funds which aim to match some of the changes in the present value of the liabilities, as a result of changes in interest rates and inflation.
Liquidity	Difficulties in raising sufficient cash when required without adversely impacting the fair market value of the investment.	To maintain a sufficient allocation to liquid assets so that there is a prudent buffer to pay members benefits as they fall due (including transfer values).	The Scheme's assets are traded on a daily frequency, providing sufficient liquidity.
Market	Experiencing losses due to factors that affect the overall performance of the financial markets.	To remain appropriately diversified and hedge away any unrewarded risks, where practicable.	The Scheme is invested in various funds across asset classes, therefore diversifying this risk.
Credit	Default on payments due as part of a financial security contract.	To diversify this risk by investing in a range of credit markets across different geographies and sectors.	The Scheme invests in pooled credit funds which invest across a variety of geographies and sectors, diversifying the underlying credit risk.
Environmental, Social and Governance	Exposure to Environmental, Social and Governance factors, including but not limited to climate change, which can impact the performance of the Scheme's investments.	<p>To appoint managers who satisfy the following criteria, unless there is a good reason why the manager does not satisfy each criteria:</p> <ol style="list-style-type: none"> 1. Responsible Investment ('RI') Policy / Framework 2. Implemented via Investment Process 3. A track record of using engagement and any voting rights to manage ESG factors 4. ESG specific reporting 	As part of the investment management of the Scheme's assets, the Trustee is expected to, where relevant, assess the integration of ESG factors in the investment process of underlying managers by considering the ESG ratings provided by the Investment Advisor.

	5. UN PRI Signatory		
Currency	The potential for adverse currency movements to have an impact on the Scheme's investments.	To invest in GBP denominated share classes where possible.	All the Scheme's investments are in GBP denominated share classes.

Changes to the SIP

There have been no changes to the SIP over the 12-month period. However, following the Scheme year end the Trustee made changes to the SIP in December 2022 to implement a new strategy and then in March 2023 to reflect recent regulatory requirements.

Policies added to the SIP post reporting period

Date updated: December 2022

Voting Policy - How the Trustee expects investment managers to vote on their behalf

- The Trustee has acknowledged responsibility for the voting policies that are implemented by the Scheme's investment managers on their behalf.

Engagement Policy - How the Trustee will engage with investment managers, direct assets and others about 'relevant matters'

- The Trustee has acknowledged responsibility for the engagement policies that are implemented by the Scheme's investment managers on their behalf.
- The Trustee, via their investment advisers, will engage with managers about 'relevant matters' at least annually.
- Example stewardship activities that the Trustee has considered are listed below.
 - Selecting and appointing asset and fiduciary managers – the Trustee will consider potential managers' stewardship policies and activities
 - Asset manager engagement and monitoring – on an annual basis, the Trustee assess the voting and engagement activity of their asset managers. The results of this analysis feeds into the Trustee's investment decision making
- Collaborative investor initiatives – the Trustee will consider joining/ supporting collaborative investor initiatives

Current ESG policy and approach

ESG as a financially material risk

The SIP describes the Scheme's policy with regards to ESG as a risk as it potentially could have a material impact on investment risk and return outcomes. The Trustee also recognises that long-term sustainability issues, particularly climate change, present risks and opportunities that increasingly may require explicit consideration. This section details how the Scheme's ESG policy is implemented.

The assets of the Scheme are invested in pooled vehicles and the Trustee accepts that pooled investments will be governed by the individual policies of the investment manager. These policies are reviewed as part of the consideration of pooled investments. As such, the Trustee has given their investment manager full discretion in evaluating ESG factors, including climate change considerations, exercising voting rights and stewardship obligations attached to the investments, in accordance with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code.

The Trustee is increasingly considering how ESG, climate change and stewardship is integrated within investment processes in appointing new investment managers and monitoring the existing investment managers. The Trustee will consider the ESG ratings provided by their Investment Advisor and/or platform provider on how the investment manager embeds ESG factors into its investment process. A change in ESG rating (or lack of ESG rating) does not mean that the fund will be removed or replaced automatically.

Engagement and Voting

The Trustee has appointed Mobius Life as the platform provider which implements policies on their behalf. Mobius Life has adopted the managers' definition of significant votes and has not set stewardship priorities. The managers have provided examples of votes they deem to be significant, and Mobius Life has shown the votes relating to the greatest exposure within the Scheme's investment. When requesting data annually, Mobius Life informs the managers what they deem most significant.

Please see attached document from Mobius Life for details on engagement and voting actions including a summary of the activity, covering the 12-month period ending 31 October 2022.

Otter Controls Limited Retirement Benefits Scheme

ESG Report

31 October 2022

Mobius Life Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registered in England and Wales at: 3rd Floor, 20 Gresham Street, London, EC2V 7JE. Registered No. 3104978. For your security telephone conversations may be recorded.



Scheme Summary

Policy Number:
Statement Date:

IS0009073
31/10/2022

Funds	Holdings	Unit Price	Value	%	Fund Manager ESG Credentials	Engagement & Voting Records
CT LDI Equity-linked Nominal DLDI Sub-Fund	115,760	34.218103	3,961,079	6.70%	Yes	Engagement Only
CT LDI Equity-linked Real DLDI Sub-Fund	32,258	34.47607	1,112,134	1.88%	Yes	Engagement Only
CT LDI Inflation Only Dynamic LDI Fund	24,900	98.472087	2,451,979	4.15%	Yes	Engagement Only
L&G Life AE World (ex UK) Equity Index Fund	111,285	120.863686	13,450,303	22.76%	Yes	Yes
L&G Life AR Cash Fund	30,919	100.74815	3,115,055	5.27%	Yes	Engagement Only
L&G Life EB Investment Grade Corporate Bond All Stocks Index Fund	231,178	80.633621	18,640,742	31.55%	Yes	Yes
L&G Life N UK Equity Index Fund	133,176	122.850452	16,360,752	27.69%	Yes	Yes
Total			59,092,043	100.00%		

Disclaimer:

This report has been designed by Mobius Life to support Pension Schemes. Mobius Life understand the information produced in this report may be used as an input for an implementation statement but are not responsible for producing the implementation statement. The information contained in this report has been provided to Mobius Life by external fund managers and Mobius Life accepts no responsibility or liability for its accuracy. Please note this report is based on the most recent information available as at calendar quarter-end dates which may not coincide with your scheme year-end date.

Mobius Life Limited provides information on our products and services to enable you to make your own investment decisions, and this document should not be regarded as a personalised recommendation. The value of investments may go down as well as up and investors may not get back the amount originally invested. Asset allocations and choice of asset managers may change without notification. In the event of a redemption suspension being invoked by a third party (the underlying investment), Mobius Life Limited reserves the right to delay cancellation of the Units in that fund for the same period as the underlying investment. Currency exchange rates may cause the value of overseas investments to rise or fall. Where a fund is invested with another life company by means of a reinsurance arrangement, the risk of default by the reinsurer is borne by policyholders who invest in the relevant fund. Investing in emerging markets involves a high degree of risk and should be seen as long term in nature. Investing in derivatives are generally considered to have a higher degree of risk compared to an investment in a physical asset and thus should be made with caution, especially for less experienced investors.

Fund Manager ESG Credentials

Questions	Columbia Threadneedle	Legal & General
Do you have an ESG policy that is integrated into the investment process?	Yes	Yes, our policies are implemented consistently at a firm-wide level. LGIM's purpose is to create a better future through responsible investing. Aligned to this purpose, ESG is a central underpinning to all of LGIM's activities and especially within strategic initiatives. LGIM has developed and publicly disclosed its policies for stewardship activities. Our policies are reviewed annually and updated where necessary to ensure they remain aligned with the various evolving regulations, best practice and client feedback.
Do you have a firm ESG rating?	Yes	<p>LGIM has an award-winning Investment Stewardship team, with a track record of over 20 years. External validation and oversight keep us on our toes and propels us forward to keep improving. We participate in industry-wide assessments of our engagement and stewardship processes and are proud to have been nominated by industry bodies like the ICGN, ICSA and UN PRI for our:</p> <ul style="list-style-type: none"> • Engagement activities disclosure • Market-wide involvement in lobbying activities <p>• Strong implementation of ESG and corporate governance matters into our stewardship activities.</p>
Please provide your UNPRI survey scores	<p>2021 scores:</p> <p>Investment & Stewardship Policy: 78</p> <p>Listed equity - Active fundamental - incorporation: 89</p> <p>Listed equity - Passive - incorporation: 37</p> <p>Listed equity - Active fundamental - voting: 76</p> <p>Listed equity - Passive - voting: 76</p> <p>Fixed income - SSA: 68</p> <p>Fixed income - Corporate: 78</p> <p>Fixed income - Securitised: 7</p> <p>Infrastructure: 80</p>	<p>2020 scores:</p> <p>Strategy & Governance: A+</p> <p>Listed Equity - Incorporation: A+</p> <p>Listed Equity - Active Ownership: A+</p> <p>Fixed Income - SSA: A+</p> <p>Fixed Income - Corporate Financial: A</p> <p>Fixed Income - Corporate Non-Financial: A</p> <p>Property: A</p>
Do you have a Climate Change policy that is integrated into the investment process?	<p>Yes. Central to our fundamental research of companies is an assessment of the credibility and achievability of a company's carbon transition plan. We are members of the Net Zero Asset Managers initiative, a group of asset managers committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner. We have developed a robust framework to measure and monitor carbon emissions. We are working on an ambitious approach to address the climate impact of both our own business activities and our invested assets, through close partnership with our clients and the companies we invest in. Our approach has a focus on real-world emissions reduction, engaging with companies to help them on their decarbonisation journeys. We are also a signatory to Climate Action 100+ (CA100+), a collaborative program seeking to ensure that the world's largest corporate greenhouse gas emitters take necessary action to combat climate change.</p>	Yes

Are Senior Management accountable for ESG or Climate Change risks?	Yes	<p>We have many people across the business contributing to our ESG insights and research. They sit across various teams with different levels of responsibility relating to ESG but all feed into our responsible investing capabilities.</p> <ul style="list-style-type: none"> • As Head of Investment Stewardship and Responsible Investment Integration, Michael Marks' role spans all functions within LGIM from investment stewardship, distribution and investment teams to operational functions such as data and technology; embedding ESG across the firm in all areas and ensuring that focus is maintained on delivering the capabilities required by all stakeholders. • There are 24 people in our global Investment Stewardship team, led by Michael Marks. The team includes those located in the US and Japan, led by John Hoepfner and Aina Fukuda respectively. The team is responsible for developing and carrying out LGIM's investment stewardship and active ownership activities. The team comprises subject matter experts in all facets of ESG and is organised in a matrix of thematic and sector coverage. • Kurt Morriesen, Head of ESG Advisory, is responsible for embedding ESG within all aspects of LGIM strategy and taking forward our ESG policy objectives. Kurt's role focuses on providing insights on ESG trends, assessing ESG systemic risks and delivering a strategic framework that is to the benefit of our clients and the wider business. • Amelia Tan joined as the Head of Responsible Investing Strategy for Investments. This role ensures that LGIM stays at the cutting edge of innovation within responsible investing and creates a coordinated approach across public asset classes, which is embedded throughout our funds and portfolios.
Do you have a dedicated team that considers ESG and Climate Change related factors?	Yes	<ul style="list-style-type: none"> • Nick Stansbury, Head of Climate Solutions, leads our energy transition approach and is one of our most prominent spokespeople on this topic. He leads our Climate Solutions team which has a total of four team members. • Caroline Ramscar, Head of Sustainable Solutions, is responsible for engaging with clients on sustainability and the development of responsible investment solutions. This is a role which was created to develop LGIM's sustainable strategy. Two further colleagues are dedicated to supporting clients' journeys to adopt more responsible investing strategies. • LGIM's Real Assets team has a team of seven dedicated ESG experts working across the range of private credit and real estate strategies that we manage. This team is led Shuen Chan. • Our Global Research and Engagement Groups (GREGs) bring together colleagues from across LGIM to identify the challenges and opportunities that will determine the resiliency of sectors and the companies within them. The output from the group strengthens and streamlines the firm's engagement activities across investments and stewardship, to enable us to collectively set goals and targets at a company level with one voice, whilst supporting and guiding our investment decisions across the capital structure.
Do you rely on any third parties to provide ESG and Climate Change related analysis/research?	Investment Association's IVIS service (UK) and Institutional Shareholder Services (ISS, globally) and Glass Lewis & Co.	ESG/GSE Team: Contribution to the development of the firm's ESG integration approach (e.g. through building proprietary ESG tools, sharing findings from continuous ESG research or investment decisions) are naturally part of the KPIs of the ESG Team. Furthermore, feedback from the Investment Group on the quality and relevance of work is also assessed.

Do you create your own ESG or Climate Change related scores?	<p>Our suite of ESG analytics below provide investment teams with a robust framework to assess material ESG risks and opportunities for thousands of companies worldwide. The analytics support our forward-looking research and help inform investment decision making and prioritise engagements. We are constantly evolving our analytics to better assess ESG risks – and to enable transparency with clients.</p> <p>These industry-leading resources provide deeper research, powerful analytics, and smarter insight. They enrich our knowledge of ESG issues across asset classes, sectors and geographies. This breadth of capability, and depth of expertise, forms a Centre of Excellence in Responsible Investment, enabling us to deliver a range of funds and solutions to meet our clients' evolving requirements.</p>	<p>We have developed a rules-based methodology by which to score companies against ESG metrics; this generates the LGIM ESG Score. The LGIM ESG Score aligns with how we engage with, and vote on, the companies in which we invest. To facilitate this process, we publish the scores and explain the metrics on which they are based. In addition, the ESG score is used by our index teams in the creation of ESG aligned index-products.</p> <p>We have identified 30 ESG indicators based on our expertise and experience in corporate reporting, corporate disclosures and transparency.</p> <p>We developed the scores with the aim of improving market standards globally, while monitoring ESG developments across our entire investment universe. The scores help drive our engagement process and are aligned with LGIM's voting policy and principles – we are more likely to vote against companies with poor scores at their annual general meetings (AGMs).</p>
Does your company have a policy on equality and diversity in the workplace?	Increasing inclusivity and diversity throughout our employee population is one of our strategic imperatives. Our employee-led Diversity and Inclusion Advisory Group has been in place since 2013. Reporting to the CEO and regional Executive Committee, the Group champions best practice to ensure a workplace culture that reflects the diversity of our clients and employees.	Investment professionals: While there are no explicit KPIs linked to ESG/sustainability, the evaluation of our investment professionals takes into account investment results over one-, three-, five- and eight-year periods, with greater emphasis on the longer periods. In making investment decisions, they are responsible for assessing ESG risks and opportunities alongside financial and other business indicators.
Do you provide any reporting publicly or to clients with regard to ESG and Climate Change related issues? How often?	Yes. Quarterly / Semi-annual / Annual	Yes - Quarterly
Do ESG related factors get considered with respect to performance management of investment companies and funds?	Yes	Senior leaders: While there are no explicit KPIs linked to ESG/sustainability as a whole, ESG is a key priority in our long-term strategy, to which our senior leadership stands accountable. The Capital Group Management Committee is actively involved in setting our ESG mission and vision, formalizing that into the firm's long-term strategy and providing resources to achieve those outcomes; the ESG Oversight Group sets the strategic direction for our ESG agenda, approves policy, oversees our ESG integration process and reviews our ESG strategy with the Capital Group Management Committee. More specifically, senior leaders across the firm have clearly articulated goals related to diversity, equity & inclusion (DE&I) with specific objectives in their leadership performance reviews. Since 2021, a DE&I performance objective is a requirement for all associates across the business.
Are you signatories of the FRC UK Stewardship Code or equivalent?	Yes	Yes - LGIM has been a signatory to the UK Stewardship Code every year since its inception and we provide copies of our responses on our website.

Engagement

Activity	CT LDI Equity-linked Nominal Dynamic LDI Sub-Fund	CT LDI Equity-linked Real DLDI Sub-Fund	CT LDI Inflation Only Dynamic LDI Fund
How many engagements have you had with companies in the past 12 months?	H1 2022 Total engagements - 16 Companies Engaged - 5	H1 2022 Total engagements - 16 Companies Engaged - 5	H1 2022 Total engagements - 16 Companies Engaged - 5
How many engagements were made regarding climate change?			
How many engagements were made regarding board diversity?	H2 2021 Total engagements - 40 Companies Engaged - 14	H2 2021 Total engagements - 40 Companies Engaged - 14	H2 2021 Total engagements - 40 Companies Engaged - 14
How many engagements were made regarding waste reduction?	LDI portfolios are very different to traditional equity or bond portfolios and so our engagement programme primarily focuses on trading counterparties and clearing members. This engagement work is structured both in terms of prioritisation (both in terms of companies to whom we have the greatest exposure and to companies whom we feel have the greatest ESG deficiencies) and in terms of progress monitoring against predefined milestones.	LDI portfolios are very different to traditional equity or bond portfolios and so our engagement programme primarily focuses on trading counterparties and clearing members. This engagement work is structured both in terms of prioritisation (both in terms of companies to whom we have the greatest exposure and to companies whom we feel have the greatest ESG deficiencies) and in terms of progress monitoring against predefined milestones.	LDI portfolios are very different to traditional equity or bond portfolios and so our engagement programme primarily focuses on trading counterparties and clearing members. This engagement work is structured both in terms of prioritisation (both in terms of companies to whom we have the greatest exposure and to companies whom we feel have the greatest ESG deficiencies) and in terms of progress monitoring against predefined milestones.
How many engagements were made regarding financials?			
How many engagements were made regarding other issues?			
Which form of engagement is most representative of the approach taken for this fund over the last 12 months: Sending standardised letters to companies Sending bespoke letters to companies Standard period engagement with companies Active private engagement on specific issues Active public engagement on specific issues	Not provided	Not provided	Not provided
Please discuss some of the key engagements and outcomes from the last 12 months.	<p>HSBC Holdings Plc Publication of new Energy Policy. HSBC's new Energy Policy includes reference to a stronger coal exit policy, a dedicated client engagement program as well as limitations of financing for new large dams, new nuclear power projects, new greenfield oil sands projects, or new offshore oil and gas in the Arctic. We have been engaging on clear limitations for its energy financing for a while and give its energy portfolio these commitments are sizeable.</p> <p>Banco Santander SA Committed to achieve net-zero greenhouse gas financed emissions by 2050, and to align its power generation portfolio with the Paris Agreement by 2030. As part of this commitment, Santander will also develop and publish decarbonisation targets for other material sectors, including oil & gas, transport and mining & metals. The implementation of these commitments will enhance the bank's response to climate change risks in its lending, advisory and investment activities.</p> <p>Deutsche Bank AG Committed to decarbonize its credit and investment portfolios by 2050, or earlier, according to scientific scenarios and targets of the Paris Climate Agreement. Joining the Net-Zero Banking Alliance also shows clear climate leadership. We have engaged the company on their environmental and climate risk management practices for their lending portfolio in the past.</p>	<p>HSBC Holdings Plc Publication of new Energy Policy. HSBC's new Energy Policy includes reference to a stronger coal exit policy, a dedicated client engagement program as well as limitations of financing for new large dams, new nuclear power projects, new greenfield oil sands projects, or new offshore oil and gas in the Arctic. We have been engaging on clear limitations for its energy financing for a while and give its energy portfolio these commitments are sizeable.</p> <p>Banco Santander SA Committed to achieve net-zero greenhouse gas financed emissions by 2050, and to align its power generation portfolio with the Paris Agreement by 2030. As part of this commitment, Santander will also develop and publish decarbonisation targets for other material sectors, including oil & gas, transport and mining & metals. The implementation of these commitments will enhance the bank's response to climate change risks in its lending, advisory and investment activities.</p> <p>Deutsche Bank AG Committed to decarbonize its credit and investment portfolios by 2050, or earlier, according to scientific scenarios and targets of the Paris Climate Agreement. Joining the Net-Zero Banking Alliance also shows clear climate leadership. We have engaged the company on their environmental and climate risk management practices for their lending portfolio in the past.</p>	<p>HSBC Holdings Plc Publication of new Energy Policy. HSBC's new Energy Policy includes reference to a stronger coal exit policy, a dedicated client engagement program as well as limitations of financing for new large dams, new nuclear power projects, new greenfield oil sands projects, or new offshore oil and gas in the Arctic. We have been engaging on clear limitations for its energy financing for a while and give its energy portfolio these commitments are sizeable.</p> <p>Banco Santander SA Committed to achieve net-zero greenhouse gas financed emissions by 2050, and to align its power generation portfolio with the Paris Agreement by 2030. As part of this commitment, Santander will also develop and publish decarbonisation targets for other material sectors, including oil & gas, transport and mining & metals. The implementation of these commitments will enhance the bank's response to climate change risks in its lending, advisory and investment activities.</p> <p>Deutsche Bank AG Committed to decarbonize its credit and investment portfolios by 2050, or earlier, according to scientific scenarios and targets of the Paris Climate Agreement. Joining the Net-Zero Banking Alliance also shows clear climate leadership. We have engaged the company on their environmental and climate risk management practices for their lending portfolio in the past.</p>

Voting

Activity	CT LDI Equity-linked Nominal Dynamic LDI Sub-Fund	CT LDI Equity-linked Real DLDI Sub-Fund	CT LDI Inflation Only Dynamic LDI Fund
Do you conduct your own votes?	Not applicable for this fund	Not applicable for this fund	Not applicable for this fund
Do you use a third party to vote on your behalf?	Not applicable for this fund	Not applicable for this fund	Not applicable for this fund
How many votes were proposed across the underlying companies in the fund?	Not applicable for this fund	Not applicable for this fund	Not applicable for this fund
How many times did you vote in favour of management?	Not applicable for this fund	Not applicable for this fund	Not applicable for this fund
How many times did you vote against management?	Not applicable for this fund	Not applicable for this fund	Not applicable for this fund
How many votes did you abstain from?	Not applicable for this fund	Not applicable for this fund	Not applicable for this fund
Please discuss some of the key votes and outcomes from the last 12 months.	Not applicable for this fund	Not applicable for this fund	Not applicable for this fund

Other	CT LDI Equity-linked Nominal Dynamic LDI Sub-Fund	CT LDI Equity-linked Real DLDI Sub-Fund	CT LDI Inflation Only Dynamic LDI Fund
Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	Not Provided	Not Provided	Not Provided
What is the target turnover rate for the portfolio?	Not Provided	Not Provided	Not Provided
What was the actual turnover rate over the last 12 months?	Not Provided	Not Provided	Not Provided

Engagement

Activity	L&G Life AE World (ex UK) Equity Index Fund	L&G Life AR Cash Fund
How many engagements have you had with companies in the past 12 months?	Year to 30/09/2022 Total number of engagements: 394 Environmental topics: 212 Social topics: 138 Governance topics: 190 Other: 60	Year to 30/09/2022 Total number of engagements: 11 Environmental topics: 7 Social topics: 2 Governance topics: 7 Other: 0
How many engagements were made regarding climate change?		
How many engagements were made regarding board diversity?		
How many engagements were made regarding waste reduction?		
How many engagements were made regarding financials?		
How many engagements were made regarding other issues?		
Which form of engagement is most representative of the approach taken for this fund over the last 12 months: Sending standardised letters to companies Sending bespoke letters to companies Standard period engagement with companies Active private engagement on specific issues Active public engagement on specific issues	Not provided	Not provided
Please discuss some of the key engagements and outcomes from the last 12 months.	Not provided	Not provided

Voting

Activity	L&G Life AE World (ex UK) Equity Index Fund	L&G Life AR Cash Fund
Do you conduct your own votes?	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 we do not outsource any part of the strategic decisions. To ensure our proxy provider votes in accordance with our position on ESG, we have put in place a custom voting policy with specific voting instructions.	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 we do not outsource any part of the strategic decisions. To ensure our proxy provider votes in accordance with our position on ESG, we have put in place a custom voting policy with specific voting instructions.
Do you use a third party to vote on your behalf?		
How many votes were proposed across the underlying companies in the fund?	36076	Not applicable for this fund
How many times did you vote in favour of management?	77.69%	Not applicable for this fund
How many times did you vote against management?	21.51%	Not applicable for this fund
How many votes did you abstain from?	0.80%	Not applicable for this fund
Please discuss some of the key votes and outcomes from the last 12 months.	Not provided	Not applicable for this fund

Other	L&G Life AE World (ex UK) Equity Index Fund	L&G Life AR Cash Fund
Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	Yes - the fund produces approximately 63.8 Tonnes CO2e per 1 million USD invested as of 30th September 2022	Yes - the fund produces approximately 45.9 Weighted Average Carbon Emissions Scope 1 + Scope 2 (Tonnes CO2e per 1 million USD Invested) as of 30th September 2022
What is the target turnover rate for the portfolio?	Not provided	Not provided
What was the actual turnover rate over the last 12 months?	Not provided	Not provided

Engagement

Activity	L&G Life EB Investment Grade Corporate Bond All Stocks Index Fund	L&G Life N UK Equity Index Fund
How many engagements have you had with companies in the past 12 months?	Year to 30/09/2022 Total number of engagements: 182 Environmental topics: 67 Social topics: 30 Governance topics: 71 Other: 14	Year to 30/09/2022 Total number of engagements: 242 Environmental topics: 68 Social topics: 77 Governance topics: 153 Other: 32
How many engagements were made regarding climate change?		
How many engagements were made regarding board diversity?		
How many engagements were made regarding waste reduction?		
How many engagements were made regarding financials?		
How many engagements were made regarding other issues?		
Which form of engagement is most representative of the approach taken for this fund over the last 12 months: Sending standardised letters to companies Sending bespoke letters to companies Standard period engagement with companies Active private engagement on specific issues Active public engagement on specific issues	Not provided	Not provided
Please discuss some of the key engagements and outcomes from the last 12 months.	Not provided	Not provided

Voting

Activity	L&G Life EB Investment Grade Corporate Bond All Stocks Index Fund	L&G Life N UK Equity Index Fund
Do you conduct your own votes?	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 we do not outsource any part of the strategic decisions. To ensure our proxy provider votes in accordance with our position on ESG, we have put in place a custom voting policy with specific voting instructions.	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 we do not outsource any part of the strategic decisions. To ensure our proxy provider votes in accordance with our position on ESG, we have put in place a custom voting policy with specific voting instructions.
Do you use a third party to vote on your behalf?		
How many votes were proposed across the underlying companies in the fund?	9	10884
How many times did you vote in favour of management?	100.00%	94.12%
How many times did you vote against management?	0.00%	5.88%
How many votes did you abstain from?	0.00%	0.00%
Please discuss some of the key votes and outcomes from the last 12 months.	There were no significant votes made in relation to the securities held by this fund during the reporting period.	<p>Barclays Plc. 04/05/2022</p> <p>Summary - Resolution 26 - Approve Barclays' Climate Strategy, Targets and Progress 2022</p> <p>How we voted - Against</p> <p>Rationale - Climate change: While we positively note the Company's use of absolute emissions targets for its exposure in the Energy sector, as well as the inclusion of capital markets financed emissions within its methodology, we have concerns that the ranges used for interim emissions reduction targets and the exclusion of US clients from the 2030 thermal coal exit falls short of the actions needed for long-term 1.5C temperature alignment. A vote Against is therefore applied as LGIM expects companies to introduce credible transition plans, consistent with the Paris goals of limiting the global average temperature increase to 1.5°C.</p> <p>Outcome - 80.8%</p> <p>Implications - LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.</p> <p>LGIM considers this vote significant as it is an escalation of our climate-related engagement activity and our public call for high quality and credible transition plans to be subject to a shareholder vote.</p>

Other	L&G Life EB Investment Grade Corporate Bond All Stocks Index Fund	L&G Life N UK Equity Index Fund
Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	Yes - the fund produces approximately 57.7 Weighted Average Carbon Emissions Scope 1 + Scope 2 (Tonnes CO2e per 1 million USD Invested) as of 30th September 2022	Yes - the fund produces approximately 105.3 Weighted Average Carbon Emissions Scope 1 + Scope 2 (Tonnes CO2e per 1 million USD Invested) as of 30th September 2022
What is the target turnover rate for the portfolio?	Not provided	Not provided
What was the actual turnover rate over the last 12 months?	Not provided	Not provided