

Implementation Statement for the Year to 26 August 2022

The Cumberland Building Society Pension and Assurance Scheme ('the Scheme')

Introduction

This statement describes the voting and engagement policies of Entrust Pension Limited as Trustee of the Scheme ('the Trustee') along with a summary of voting and engagement behaviour related to the Scheme's investments over the 12-month period to 26 August 2022.

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 3rd March 2022. This statement details:

- Actions the Trustee has taken to manage financially material risks and implement the key policies in its SIP;
- The current policy and approach with regards to Environmental, Social and Governance (ESG) factors and the actions taken with managers on managing ESG risks;
- The extent to which the Trustee 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 which they invest; and
- Voting behaviour covering the reporting year up to 26 August 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

The Trustee agreed to a new investment strategy during the reported year and transitioned towards it during the period. The new strategy aimed at reducing risk, resulting in a decrease in the expected return from Gilts + 2.3% p.a. to Gilts + 2.1% p.a. and an increase in the hedge ratio across interest rates and inflation from c.55% to c.80%.

As a result of these strategic changes the Scheme reduced its exposure to Diversified Growth Assets, from 50% to 25%, favouring a new allocation to Semi-Liquid Credit, whilst increasing the allocation to LDI assets to 40% to achieve a higher target hedge ratio. The Scheme also reduced its strategic allocation to Multi-Asset Credit.

Implementation Statement

This statement demonstrates that The Cumberland Building Society Pension and Assurance Scheme has adhered to its investment principles and its policies for managing financially material considerations including ESG factors and climate change.

Managing risks

Risk / Policy	Definition	Policy	Actions
Interest rates and inflation	The risk of mismatch between the value of the Scheme's assets and present value of liabilities from changes in interest rates and inflation expectations.	To hedge 80% of interest rate and inflation risks.	Over the reporting period, the Scheme was invested in LDI funds which aim to provide a degree of protection against adverse movements in interest rates and inflation expectations.
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), and to provide collateral to the LDI manager.	The Scheme's assets are held on the Mobius Life investment platform. These funds, with the exception of the Semi-Liquid Credit mandate, have daily/weekly trading frequency, providing sufficient liquidity for the Scheme if required.
Market	Experiencing losses due to factors that affect the overall performance of the financial markets.	To remain appropriately diversified and hedge away unrewarded risks, where practicable.	<p>The Scheme invests in a range of pooled funds which comprise of underlying holdings across several asset classes.</p> <p>The Trustee is satisfied that the Scheme's exposure to market risk is reasonably reduced through asset diversification.</p>
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 where possible.	Over the reported year, the Scheme was invested in credit-based 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. Has a Responsible Investment ('RI') Policy / Framework 2. Implemented via the investment process 	<p>All decisions about the day-to-day management of the assets have been delegated to the investment managers. The delegation includes decisions about:</p> <ul style="list-style-type: none"> • Selection, retention, and realisation of investments including taking into account all financially material considerations in making these decisions. • The exercise of rights (including voting rights)

		3. A track record of using engagement and any voting rights to manage ESG factors 4. UN PRI Signatory	attaching to the investments. • Undertaking engagement activities with investee companies and other stakeholders, where appropriate.
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.	The Scheme's investment holdings are all GBP denominated, avoiding any direct currency risk.
Non-financial	Any factor that is not expected to have a financial impact on the Scheme's investments.	Non-financial matters are not taken into account in the selection, retention or realisation of investments.	

Changes to the SIP

Over the 12-month period ending 26 August 2022, a new SIP was signed to reflect the change in investment strategy, updating for the Scheme's target return to 2.1% per annum above the return on UK Government bonds. The new SIP also reflects an increase in the target hedge ratio to 80% of interest rate and inflation risks.

Implementing the current ESG policy and approach

ESG as a financially material risk

The SIP describes the Scheme's policy with regards to ESG as a financially material risk. This page details how the Scheme's ESG policy is implemented. The rest of this statement details our view of the managers, our actions for engagement and an evaluation of the stewardship activity.

The following table outlines the areas by which the Scheme's investment managers are assessed on when evaluating their ESG policies and engagements. The Trustee intends to review the Scheme's ESG policies and engagements periodically to ensure they remain fit for purpose.

Implementing the Current ESG Policy

Areas for engagement	Method for monitoring and engagement	Circumstances for additional monitoring and engagement
Environmental, Social, Corporate Governance factors and the exercising of rights and engagement activity	The Trustee receives information from its investment advisors/platform provider on the investment managers' approaches to engagement.	If the managers' policies are not aligned with the Trustee's policy. If the manager has not acted in accordance with their policies and framework.

Engagement and Voting

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 26 August 2022. The platform provider also provided examples of any significant votes where possible.

The Cumberland Building Society Pension and Assurance Scheme

ESG Report

26 August 2022

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Scheme Summary

Policy Number:
Statement Date:

IS0009077
26/08/2022

Funds	Holdings	Unit Price	Value	%	Fund Manager ESG Credentials	Engagement & Voting Records
Apollo Total Return (01 Jan 2022 - 31 Dec 2023) Fund Quarterly	192,000	93.943306	18,037,115	34.82%	Yes	Engagement Only
BLK IJF Dynamic Diversified Growth Fund	80,939	100.056277	8,098,412	15.63%	Yes	Yes
CT LDI Credit-Linked Real DLDI Sub-Fund	150,725	31.935675	4,813,495	9.29%	Yes	Engagement Only
CT LDI Nominal Dynamic LDI Fund	6,770,722	0.773605	5,237,865	10.11%	Yes	Engagement Only
CT LDI Real Dynamic LDI Fund	0	1.43258	0	0.00%	Yes	Engagement Only
CT LDI Short Profile Real Dynamic LDI Fund	0	0	0	0.00%	Yes	Engagement Only
CT Sterling Liquidity Fund	27,752	100.293234	2,783,343	5.37%	Yes	Engagement Only
JP Morgan Unconstrained Bond Fund	44,538	97.9252	4,361,430	8.42%	Yes	Engagement Only
L&G Life MAAC Dynamic Diversified Fund	79,167	106.946204	8,466,634	16.35%	Yes	Yes
Total			51,798,294			

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	Apollo	Blackrock
Do you have an ESG policy that is integrated into the investment process?	Yes. In 2020, Apollo revised its Responsible Investing and ESG Policy with specific sub-policies for each asset class and for Apollo as a firm.	<p>Yes. At BlackRock, we have always focused on helping our clients try to reach their long-term investment goals through resilient and well-constructed portfolios. Our investment conviction is that ESG-integrated portfolios can provide better risk-adjusted returns to investors over the long-term, and that ESG-related data provides an increasingly important set of tools to identify unpriced risks and opportunities within portfolios.</p> <p>BlackRock has a framework for ESG integration that permits a diversity of approaches across different investment teams and strategies and is part of both our active investment process and index investment processes. As the materiality of ESG considerations varies by client objectives, investment style, sector, and macro considerations, our ESG integration framework needs to allow for flexibility across investment teams. BlackRock's active investors are responsible for integrating material ESG-related insights, consistent with their existing investment process, with the objective of improving long-term risk-adjusted returns. Depending on the investment approach, ESG measures may help inform the due diligence, portfolio construction, and/or monitoring processes of our active and alternatives platforms, as well as our approach to risk management.</p> <p>Our ESG integration framework is built upon our history as a firm founded on the principle of thorough and thoughtful risk management. Aladdin™, our core risk management and investment technology platform, allows investors to leverage material ESG data as well as the combined experience of our investment teams to effectively identify investment opportunities and investment risks. Our heritage in risk management combined with the strength of the Aladdin platform enables BlackRock's approach to ESG integration.</p>
Do you have a firm ESG rating?	Yes	Yes, please refer to the firm's UN PRI scores below.
Please provide your UNPRI survey scores	<p>Apollo's Transparency Report and Assessment Reports are not yet available. Apollo has not yet been captured in a full PRI reporting cycle. As Apollo only became a PRI signatory on 10/14/20, we were not required to report for 2020-YE. Though Apollo was prepared to report for 2021-YE, the PRI suspended its reporting program until 2023. We expect to receive the PRI ratings for the next reporting cycle in 2023.</p>	<p>A few of the 2021 scores:</p> <p>Investment & Stewardship Policy: 88</p> <p>Direct - Listed equity - Active quantitative - Incorporation: 96</p> <p>Direct - Listed equity - Active fundamental - Incorporation: 96</p> <p>Direct - Listed equity - Investment trusts - Incorporation: 96</p> <p>Direct - Listed equity - Passive - incorporation: 67</p> <p>Direct - Listed equity - Active fundamental - voting: 83</p> <p>Direct - Listed equity - Passive - Voting: 83</p> <p>Direct - Fixed income - SSA: 79</p> <p>Direct - Fixed income - Corporate: 88</p> <p>Direct - Fixed income - Securitised: 76</p> <p>Direct - Infrastructure: 100</p>
Do you have a Climate Change policy that is integrated into the investment process?	While Apollo does not currently have a dedicated climate policy, we are considering the implications of the climate topic with a focus on carbon emissions and climate risks and opportunities.	Yes

<p>Are Senior Management accountable for ESG or Climate Change risks?</p>	<p>Sustainability and ESG are discussed weekly in Apollo's Management Committee. In 2022, we established a Sustainability and Corporate Responsibility Committee ("S&CR") that assists the AGM Board of Directors in overseeing corporate responsibility and sustainability matters, including environmental sustainability and climate change, that may affect the Company's business, strategy, operations, performance, or reputation. Apollo's Chief Sustainability Officer, together with Apollo's S&CR and the relevant dedicated responsible investment professionals, are responsible for internal oversight and reporting of ESG and Responsible Investing policy implementation.</p>	<p>Yes. Effective corporate governance is critical to executing on BlackRock's strategy, fulfilling its responsibilities to clients, and delivering for stakeholders. At BlackRock, ESG issues are integrated into and regularly part of Board-level discussions of firm and business line strategy, and responsibility for ESG oversight is shared across the full Board and its Committees.</p> <p>BlackRock's Board of Directors ('Board') engages with senior leaders on near- and long-term business strategy and reviews management's performance in delivering on BlackRock's framework for long-term value creation. Sustainability, including climate-related issues – from integrating ESG factors into the firm's investment processes, to sustainable investment strategies and investment stewardship priorities – is a critical component of the firm's overall business strategy and the objectives of senior management over which the Board has oversight.</p> <p>The Nominating, Governance & Sustainability Committee of BlackRock's Board of Directors ('NGSC') oversees investment stewardship, public policy, corporate sustainability, and social impact. The NGSC periodically reviews corporate and investment stewardship-related policies and programs, as well as significant publications relating to environmental (including climate change), social, and other sustainability matters. As appropriate, the NGSC may make recommendations on these matters to be reviewed by the full Board. The NGSC also periodically reviews public policy and advocacy activities, including lobbying priorities, political contributions, and memberships in trade associations, as well as the philanthropic programs of the firm and related strategies.</p>
<p>Do you have a dedicated team that considers ESG and Climate Change related factors?</p>	<p>Apollo has made recent investments in leadership and expertise roles in areas of ESG and sustainability. Such investments build upon Apollo's ESG program. Laurie Medley, Global Head of ESG, leads the ESG program and reporting within the Office of Sustainability. Ms. Medley works closely with the office of Apollo's Co-Presidents; Client and Product Services team; and John Suydam, Chief Legal Officer. Dave Stangis, Partner and Chief Sustainability Officer, leads Apollo's sustainability strategy and reports to Apollo's Co-Presidents.</p> <p>Within the ESG team, Apollo has a dedicated ESG Credit Team. In addition to Mr. Kashani, the team also includes the following three individuals:</p> <ul style="list-style-type: none"> • Amanda Gray, Senior ESG Research Analyst, London • Lori Shapiro, Senior Stewardship & Engagement Specialist, New York • Ed Brierley, ESG Research Analyst, London <p>Apollo's ESG efforts are also supported by the other members of the ESG team at Apollo including ESG counsel and other professionals, as well as a dedicated ESG team at Paul, Weiss, Rifkind, Wharton & Garrison LLP.</p>	<p>Yes. BlackRock's dedicated Sustainable and Transition Solutions ('STS') team consists of over 31 professionals across 12 offices who lead BlackRock's sustainability and transition strategy, drive cross-functional change, support client and external engagement, power product ideation, and embed expertise across the firm. STS works in close partnership with the BII Sustainable Investment Research & Analytics Team, which leads the firm's research on investment risks and opportunities of sustainability and the transition.</p>
<p>Do you rely on any third parties to provide ESG and Climate Change related analysis/research?</p>	<p>Across Apollo's credit business, investment teams leverage a combination of internal and external research to inform their assessment of ESG risks and opportunities. External research may include information that is publicly disclosed by issuers, sellside research, as well as research provided by third party ESG data service providers. In 2022, Apollo signed agreements with two data partners: MSCI and Bloomberg. We are currently evaluating other data providers to complement the offerings from MSCI and Bloomberg.</p> <p>Third party ESG data can serve as one of the inputs into our ESG Credit Risk Rating and ESG due diligence assessments, helping investment teams integrate a more informed assessment of ESG risks and opportunities into their investment decisions. However, Apollo believes that the use of third-party data does not serve as a replacement for fundamental oversight of ESG risks, which remains the ultimate responsibility of the investment teams, with support from the dedicated ESG team. We look forward to sharing with you our continued evolution on internal and external ESG data incorporation.</p>	<p>Yes. BlackRock portfolio managers and risk managers can sift through thousands of ESG datapoints on a given company and embed them into their investment tools and processes using Aladdin. Within Explore, Aladdin's main portal for portfolio analysis and reporting, investors currently have access to 3,500 data points sourced from MSCI, Sustainability, Refinitiv, ISS and Clarity AI.</p> <p>Currently, BlackRock leverages third-party ESG data in addition to in-house research in order to gather company-level information on key ESG indicators. BlackRock has sourced ESG data from third-party providers since 2012.</p> <p>Our third-party sources include MSCI, ISS-Ethix, RepRisk, Sustainability, Refinitiv, Bloomberg, , Verisk Maplecroft, SASB, CDP, Rhodium, Clarity AI, Baringa, Climate Central, Entis, Field Gibson Media (Environmental Finance), Vivid Economics and S&P Global.</p>

<p>Do you create your own ESG or Climate Change related scores?</p>	<p>ESG integration is an integral part of the investment thesis. When evaluating a potential investment, Apollo investment professionals assess potential ESG issues that could impact value. The ESG evaluation includes identifying ESG risks, risk mitigants, and ESG opportunities. Investment analysts across all asset classes review potential investments for relevant ESG risks as a matter of good business practice. Apollo's collaborative approach to each aspect of the investment process ensures that the collective knowledge of the team is maximized and that a variety of perspectives are considered.</p> <p>This is illustrated in Apollo's credit business, which encompasses numerous strategies and investment products. Apollo identifies and assesses relevant ESG risks in applicable investments and factors these risks into an overall assessment of a particular position. Analysts may perform due diligence to assess the overall sustainability of an entity and, where applicable, what measures the entity has in place to avoid financial or reputational ESG risks. Investment professionals may also review for relevant ESG opportunities. Apollo incorporates an ESG analysis into investment memos to the extent memos are prepared, and where applicable.</p> <p>Apollo Corporates, Aviation, and Real Estate ESG Risk Ratings 2.0 –In Application: Evolution to a Sector-Based Corporate, Aviation, and Real Estate ESG Materiality Rating Framework.</p>	<p>Yes. BSI Intel is BlackRock's proprietary research-driven framework that combines quantitative and qualitative research using a systematic data driven approach to deliver unique ESG investment insights. It leverages multiple sources of data, including proprietary BlackRock information, and takes over 250 individual KPIs that capture the sustainable characteristics of companies across environmental, social and governance themes.</p>
<p>Do you create your own ESG or Climate Change related scores? (Continued)</p>	<p>Analysts prepare proprietary ESG risk ratings for nearly all credit or minority equity stake investments. The management of the fund's exposure to sustainability risk is based on our internal ESG risk rating process and oversight.</p> <p>Apollo's Corporate, Aviation, and Real Estate ESG risk ratings have evolved to a sector-specific and materiality-based framework that is relative to peers. The framework includes approximately 80 sub-sector materiality maps with ratings applied by investment teams and incorporates materiality frameworks such as SASB and the UN SDGs. The framework accounts for ESG issues in both the short and long-term.</p>	
<p>Does your company have a policy on equality and diversity in the workplace?</p>	<p>Yes</p>	<p>Yes. BlackRock's culture is central to our success and defines us as a firm. Our One BlackRock culture is centered on creating an inclusive, equitable environment, that ensures everyone is heard and respected, and that all employees have equal opportunities to develop their professional potential. We believe that cultivating and advancing diversity in all forms makes us thrive and is indispensable to our success. It enables us to draw on expertise and unique experiences from across the firm and bring out the best in each other and contribute to the success of our business. We are committed to fostering, cultivating and preserving a culture of DEI.</p>
<p>Do you provide any reporting publicly or to clients with regard to ESG and Climate Change related issues? How often?</p>	<p>At a firm level, Apollo provides regular updates about its ESG program through its ESG Annual Report.</p> <p>In Apollo's credit business, certain funds are producing ESG reporting at a fund basis. In addition to disclosing our own ratings and engagement, areas of focus also include but are not limited to carbon intensity, carbon emissions, certain fossil fuel exposure, decarbonization plans/trajectory, carbon transition investments/opportunities, and board diversity.</p>	<p>Yes, annually.</p>

<p>Do ESG related factors get considered with respect to performance management of investment companies and funds?</p>	<p>Apollo recognizes that ESG risks can affect the investment risk and performance of the firm and the entities in which Apollo invests. ESG is therefore one of the core components of Apollo's overall investment process, and accordingly, Apollo integrates ESG considerations in nearly every fund across asset classes. In our credit business, we believe considering credit through an ESG integration lens allows us to make better risk-adjusted investment decisions and encourage change in issuer behavior.</p>	<p>Yes. At BlackRock, we have always focused on helping our clients try to reach their long-term investment goals through resilient and well-constructed portfolios. Our investment conviction is that ESG-integrated portfolios can provide better risk-adjusted returns to investors over the long-term, and that ESG-related data provides an increasingly important set of tools to identify unpriced risks and opportunities within portfolios.</p> <p>BlackRock has a framework for ESG integration that permits a diversity of approaches across different investment teams and strategies and is part of both our active investment process and index investment processes. As the materiality of ESG considerations varies by client objectives, investment style, sector, and macro considerations, our ESG integration framework needs to allow for flexibility across investment teams. BlackRock's active investors are responsible for integrating material ESG-related insights, consistent with their existing investment process, with the objective of improving long-term risk-adjusted returns. Depending on the investment approach, ESG measures may help inform the due diligence, portfolio construction, and/or monitoring processes of our active and alternatives platforms, as well as our approach to risk management.</p> <p>Our ESG integration framework is built upon our history as a firm founded on the principle of thorough and thoughtful risk management. Aladdin™, our core risk management and investment technology platform, allows investors to leverage material ESG data as well as the combined experience of our investment teams to effectively identify investment opportunities and investment risks. Our heritage in risk management combined with the strength of the Aladdin platform enables BlackRock's approach to ESG integration.</p>
<p>Are you signatories of the FRC UK Stewardship Code or equivalent?</p>	<p>Apollo is not currently a signatory to the UK Stewardship Code.</p> <p>At the firm level, Apollo is a signatory to the United Nations ("UN") Principles for Responsible Investment ("PRI"), the Institutional Limited Partners Association Diversity in Action Initiative, the Board Diversity Action Alliance, and the CEO Action Coalition for Diversity & Inclusion, and has endorsed the American Investment Council's Guidelines for Responsible Investing. Apollo is a member of the International Financial Reporting Standards Sustainability Alliance, Business for Social Responsibility, the National Minority Supplier Development Council, and the Women's Business Enterprise National Council.</p>	<p>BlackRock has been a signatory of the UK Stewardship code since April 2010. Additionally, we have recently been confirmed as a signatory to the 2020 UK Stewardship Code (the Code).</p>

Fund Manager ESG Credentials

Questions	Columbia Threadneedle	JP Morgan	Legal & General
Do you have an ESG policy that is integrated into the investment process?	Yes	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	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 • Strong implementation of ESG and corporate governance matters into our stewardship activities.
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>Private Equity: A</p> <p>Listed Equity - Incorporation: A</p> <p>Listed Equity - Active Ownership: B</p> <p>Fixed Income - SSA: A</p> <p>Fixed Income - Corporate Financial: B</p> <p>Fixed Income - Corporate Non-Financial: B</p> <p>Fixed Income - Securitised: B</p> <p>Property: A</p> <p>Infrastructure: A</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	Yes

Are Senior Management accountable for ESG or Climate Change risks?	Yes	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.
Do you have a dedicated team that considers ESG and Climate Change related factors?	Yes	Yes	<ul style="list-style-type: none"> • 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. • 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.	No	<p>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.</p>
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>	Yes	<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.	Yes	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. More often than quarterly.	Yes - Quarterly
Do ESG related factors get considered with respect to performance management of investment companies and funds?	Yes	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	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	Apollo Total Return (01 Jan 2022 - 31 Dec 2023) Fund	BLK IJF Dynamic Diversified Growth Fund	CT LDI Credit-Linked Real DLDI Sub-Fund
How many engagements have you had with companies in the past 12 months?	Year to 30/09/2022 Total number of engagements: 42 Environmental topics: 34 Social topics: 30 Governance topics: 33	744	H1 2022 Total engagements - 16 Companies Engaged - 5 H2 2021 Total engagements - 40 Companies Engaged - 14
How many engagements were made regarding climate change?		Engagement themes Environmental: 440 Social: 290 Governance: 651	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 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	Standard period engagement with companies	The forms of engagement have been: - Standard period engagement with companies and - Active private engagement on specific issues	Not provided
Please discuss some of the key engagements and outcomes from the last 12 months.	<p>1) Moss Creek is an independent oil and gas company focused on exploration. The company has a high ESG Credit Risk Rating of 3.05 which falls in the bottom half of the high ESG risk category. We assess the company's environmental risk as high given the inherent GHG and pollution risks associated with the company's oil and gas exploration and production operations. Moss also faces elevated governance risks. It is ultimately owned and controlled by a Chinese entity called Shandong Xinchao that is listed on the Shanghai Stock Exchange. The Company's credit agreements and indentures allow for equity distributions to the parent entity. In November 2022, we engaged with Moss Creek to understand how it is mitigating these risks.</p> <p>To mitigate its environmental impact, Moss Creek shared with us that the company has prioritized reducing emissions in its operations, primarily by reducing flaring and through the build out of an extensive water infrastructure and recycling system (which reduces the need for thousands of miles of truck driving and for freshwater extraction). Moss Creek's US assets are ringfenced from the parent entity, mitigating governance risks. Management has taken strides to improve its governance structure (most notably via the creation of a Corporate Responsibility Team and the engagement of a third-party consultant to gather stakeholder feedback).</p>	<p>Hyundai Development Co. (APAC)</p> <p>At Hyundai Development Co., a construction and engineering company in South Korea, BIS did not support the re-election of a director over concerns about the company's poor safety record and two high-profile, fatal construction incidents. An investigation by one of the company's regulators in early 2022 identified 636 safety regulation violations that resulted in the company paying a fine of approximately U.S. \$700,000. Although we acknowledge the recent progress on safety, particularly the implementation of the board's new Safety and Health Committee, we considered it important to hold a representative of the board responsible for poor board oversight of a material business risk. BIS Response: We did not, however, vote in support of a prescriptive, binding shareholder proposal seeking to change the company's bylaws to make it easier for shareholders to file proposals on ESG matters. We were concerned that the low threshold proposed in the shareholder proposal risked imposing unnecessary costs on the company or constraints on corporate decision-making. We determined that long-term shareholder interests are best served when there is a reasonable threshold for filing shareholder proposals.</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	Apollo Total Return (01 Jan 2022 - 31 Dec 2023) Fund	BLK IJF Dynamic Diversified Growth Fund	CT LDI Credit-Linked Real DLDI Sub-Fund
Do you conduct your own votes?	Not applicable for this fund	Yes. BlackRock's proxy voting process is led by the BlackRock Investment Stewardship ('BIS') team, which consists of three regional teams – Americas ('AMRS'), Asia-Pacific ('APAC'), and Europe, Middle East and Africa ('EMEA') – located in seven offices around the world. The relevant analysts with each team will generally determine how to vote at the meetings of the companies they cover. They may seek input from other team members, senior BlackRock Investment Stewardship leaders, and/or portfolio managers.	Not applicable for this fund
Do you use a third party to vote on your behalf?	Not applicable for this fund	No. Voting decisions are made by members of the BIS team with input from investment colleagues as required, in each case, in accordance with BlackRock's Global Principles and custom market-specific voting guidelines. While we subscribe to research from the proxy advisory firms Institutional Shareholder Services (ISS) and Glass Lewis, it is just one among many inputs into the voting analysis process, and we do not blindly follow their recommendations on how to vote. We primarily use proxy research firms to synthesize corporate governance information and analysis into a concise, easily reviewable format so that our investment stewardship analysts can readily identify and prioritize those companies where our own additional research and engagement would be beneficial. Other sources of information we use include the company's own reporting (such as the proxy statement and the website), our engagement and voting history with the company, and the views of our active investors, public information and ESG research.	Not applicable for this fund
How many votes were proposed across the underlying companies in the fund?	Not applicable for this fund	11394	Not applicable for this fund
How many times did you vote in favour of management?	Not applicable for this fund	10154	Not applicable for this fund
How many times did you vote against management?	Not applicable for this fund	593	Not applicable for this fund
How many votes did you abstain from?	Not applicable for this fund	181	Not applicable for this fund
Please discuss some of the key votes and outcomes from the last 12 months.	Not applicable for this fund	<p>Voting on board independence at H&M</p> <p>Hennes & Mauritz AB (H&M) is a Swedish retailer of clothing and homeware. The founders continue to control approximately 76% of the company's voting rights through a holding investment company. In our engagements in recent years, we have expressed our concerns about H&M's board independence, governance, and executive remuneration. In advance of this year's Annual General Meeting (AGM), the company still had not provided sufficient transparency on the Company's Short-Term Incentive Plan, nor had it established a dedicated remuneration committee. This lags best practice in the European market and in this case (given our concerns on executive remuneration policies and outcomes) we believe minority shareholders would benefit from there being a separate board committee responsible for remuneration processes and outcomes. In addition, the board's audit committee chair is not considered independent, either by the company's own assessment or by BIS' director independence standards, because he represents the holding investment company on H&M's board. We did not support the election of the former board chairman in both 2018 and 2019 for poor governance practice. In the absence of a remuneration committee and because the audit committee was chaired by a nonindependent director in 2022, we did not support the re-election of the chairman (who took over the role from his father in 2020). This was a signal of our ongoing concerns about the company's failure to develop its board structure and practices more broadly.</p>	Not applicable for this fund

Other	Apollo Total Return (01 Jan 2022 - 31 Dec 2023) Fund	BLK IJF Dynamic Diversified Growth Fund	CT LDI Credit-Linked Real DLDI Sub-Fund
Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	Yes - the fund produces approximately 318.7 Weighted Average Carbon Emissions Scope 1 + Scope 2 (Tonnes CO2e per 1 million USD sales) as of 30th September 2022	Yes. A standard Carbon Exposure report is available to clients upon request. This report provides a portfolio carbon footprint relative to a benchmark. Aladdin supports BlackRock's Carbon reporting capabilities at a portfolio level based on underlying security Carbon data sourced from MSCI. The report provides portfolio exposure analysis, with a view of carbon emission scores by sector. We also track our exposure to companies with carbon emission reduction targets, as validated by the SBTi and monitor the percentage of the portfolio where the underlying securities are committed/not committed to a temperature target.	Not Provided
What is the target turnover rate for the portfolio?	Not provided	The turnover of the Fund will vary depending on the market environment and the extent to which we are emphasising long-term strategic positions versus operating in a market which requires a shorter-term and more tactical approach. We would expect to see turnover fall within a range of 100-300%, depending on the market environment and timeframe. It is important to emphasise that this turnover will reflect inflows and outflows of client money in order to purchase units in the underlying pooled fund holdings.	Not Provided
What was the actual turnover rate over the last 12 months?	Not provided	Please see below the Fund's turnover for 2022, provided on a quarterly basis: Q1 2022: 32.35%, Q2 2022: 41.1%, Q3 2022: 40.9%	Not Provided

Engagement

Activity	CT LDI Nominal Dynamic LDI Fund	CT LDI Real Dynamic LDI Fund	CT LDI Short Profile Real Dynamic LDI Fund
How many engagements have you had with companies in the past 12 months?	<p>H1 2022 Total engagements - 16 Companies Engaged - 5</p> <p>H2 2021 Total engagements - 40 Companies Engaged - 14</p> <p>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.</p>	<p>H1 2022 Total engagements - 16 Companies Engaged - 5</p> <p>H2 2021 Total engagements - 40 Companies Engaged - 14</p> <p>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.</p>	<p>H1 2022 Total engagements - 16 Companies Engaged - 5</p> <p>H2 2021 Total engagements - 40 Companies Engaged - 14</p> <p>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.</p>
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	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 Nominal Dynamic LDI Fund	CT LDI Real Dynamic LDI Fund	CT LDI Short Profile Real 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 Nominal Dynamic LDI Fund	CT LDI Real Dynamic LDI Fund	CT LDI Short Profile Real 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	CT Sterling Liquidity Fund	JP Morgan Unconstrained Bond Fund	L&G Life MAAC Dynamic Diversified Fund
How many engagements have you had with companies in the past 12 months?	4 (Year to 30 June 2022)	Over 300	<p>Year to 30/09/2022</p> <p>Total number of engagements: 633</p> <p>Environmental topics: 218</p> <p>Social topics: 141</p> <p>Governance topics: 250</p> <p>Other: 24</p>
How many engagements were made regarding climate change?	<p>Companies Engaged by Issue:</p> <p>Climate Change - 2 Business Conduct - 1 Labour Standards - 2 Corporate Governance - 1</p>	<p>This data is not systematically tracked for this portfolio. Please see below for examples of engagements that have been ongoing over the past 12 months.</p>	
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			
Please discuss some of the key engagements and outcomes from the last 12 months.	<p>Toronto-Dominion Bank/The 09/12/2021</p> <p>Engagement Activity Name - Dialogue on net zero strategy expectations</p> <p>Client Engagement Summary - We spoke the bank's Head of Investor Relations (IR) as well as an ESG focused IR team member. We outlined our expectations for the bank to progress quicker than to date on outlining their intermediate targets of their net zero strategy, closing the gap versus their regional and international peers on a position on coal lending and underwriting, as well as a position regarding the IEA's 2050 net zero scenario which clearly shows that no new oil and gas developments are necessary. We also highlighted the need for metrics, assessments and with that also targets to go beyond lending and cover underwriting and advisory, too, and also to consider off balance sheet financed emissions. Looking at the European markets we are seeing more Say on Climate votes and suggested the same to TD, but given the status of their climate strategy rather in 2023. Lastly we alerted them to pay more attention to the general environmental and social risk framework, particularly on human rights and biodiversity. We will speak again in late January with the bank's subject matter experts on all of the above.</p>	<p>TotalEnergies</p> <p>We sent a letter to the Chairman of the Board at TotalEnergies outlining our recommended actions for the company to take around climate change risk and is part of a series of letters we are sending to international oil majors on this topic. In our letter to the company we outlined, among other topics, our expectations for the companies greenhouse gas (GHG) emissions reporting, their targets for methane emissions reductions and how their business model may change as we move towards a net zero emissions economy. We invited a follow up discussion to this letter which took place in February 2022 to discuss these issues and other concerns not outlined in our letter.</p> <p>In terms of GHG emissions, the company currently discloses Scope 1 & 2 emissions on an equity basis, which only covers operated assets at present. For non-operated assets, the company reportedly tries to share best practice with operators and encourages them to share emissions data. The company has made the most progress in methane where they have sent letters to all operators asking for their data and plans to reduce emissions. They also plan to publish methane emissions data this year. The company explained that methane is a strong focus for them and suggested that they will have refreshed, more ambitious targets announced in the March update though could not share further details at this point.</p>	Not provided
	Please discuss some of the key engagements and outcomes from the last 12 months.	<p>In general the company is well aware of where they need to improve disclosure/reporting and are making tangible steps to improve this. We will be monitoring the company's upcoming reporting and target announcements and holding them to account on the issues we raised and their stated progress on them. In particular we will continue to engage the company around their implementation of their Lake Albert project in Uganda and their efforts to mitigate risks around community conflict and harm to biodiversity.</p>	

Voting

Activity	CT Sterling Liquidity Fund	JP Morgan Unconstrained Bond Fund	L&G Life MAAC Dynamic Diversified Fund
Do you conduct your own votes?	Not applicable for this fund	Not applicable for this fund	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?	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	98210
How many times did you vote in favour of management?	Not applicable for this fund	Not applicable for this fund	77.68%
How many times did you vote against management?	Not applicable for this fund	Not applicable for this fund	21.63%
How many votes did you abstain from?	Not applicable for this fund	Not applicable for this fund	0.69%
Please discuss some of the key votes and outcomes from the last 12 months.	Not applicable for this fund	Not applicable for this fund	<p>Prologis, Inc. 04/05/2022</p> <p>Summary - Resolution 1a - Elect Director Hamid R. Moghadam How we voted - Against Rationale - Joint Chair/CEO: A vote against is applied as LGIM expects companies to separate the roles of Chair and CEO due to risk management and oversight. Independence: A vote against is applied as LGIM expects a board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background. Outcome - 92.9% 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>

Other	CT Sterling Liquidity Fund	JP Morgan Unconstrained Bond Fund	L&G Life MAAC Dynamic Diversified Fund
Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	Not Provided	Yes	Yes - the fund produces approximately 97.3 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 applicable for this fund	Not applicable for this fund	Not provided
What was the actual turnover rate over the last 12 months?	Not Provided	52% as of September 2022	Not provided