

Implementation Statement for the Year to 31 December 2022

Rockwool Limited Pension Scheme (the "Scheme")

Background

The regulatory landscape continues to evolve as Environmental, Social and Governance ("ESG") factors become 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 Report

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").

Over the Scheme year to 31 December 2022, the SIP was updated in November 2022 and the changes made are detailed on the following pages. The most up-to-date version of the SIP can be accessed [here](#).

This report 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 factors 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 which the mandate invests; and
- Voting behaviour covering the reporting year up to 31 December 2022 for and on behalf of the Scheme, including the most significant votes cast.

Summary of key actions undertaken over the Scheme reporting year

- The Scheme implemented a refreshed LDI mandate, increasing the target level of hedging on interest rates from c.45% to c.70% and increasing the target level of hedging on inflation expectations from c.70% to c.85% (on a Technical Provisions basis). The allocation to growth assets was reduced and the expected return of the portfolio was reduced from gilts+2.8% pa to gilts+2.6% pa.

Implementation Statement

This report demonstrates that the Scheme has adhered to its investment principles and its policies for managing financially-material considerations including ESG factors and climate change.

Signed [Amanda Asante](#)

Position [Trustee Director](#)

Date [13.07.2023](#)

Managing risks

A non-exhaustive list of risks and financially-material considerations that the Trustee has considered and sought to manage is shown below.

The Trustee adopts an integrated risk management approach. The three key risks associated within this framework and how they are managed are stated in the table below.

Risk / Policy	Definition	Policy	Actions
Investment	The risk that the Scheme's position deteriorates due to the assets underperforming.	Selecting an investment objective that is achievable and is consistent with the Scheme's funding basis and the sponsoring company's covenant strength. Investing in a diversified portfolio of assets.	There have been no changes to the policy over the reporting year.
Funding	The extent to which there are insufficient Scheme assets available to cover ongoing and future liability cash flows.	Funding risk is considered as part of the investment strategy review and the actuarial valuation. The Trustee will agree an appropriate basis in conjunction with the investment strategy to ensure an appropriate journey plan is agreed to manage funding risk over time.	There have been no changes to the policy over the reporting year.
Covenant	The risk that the sponsoring company becomes unable to continue providing the required financial support to the Scheme.	When developing the Scheme's investment and funding objectives, the Trustee takes account of the strength of the covenant ensuring the level of risk the Scheme is exposed to is at an appropriate level for the covenant to support.	There have been no changes to the policy over the reporting year.

The Scheme is exposed to a number of underlying risks relating to the Scheme's investment strategy. The key risks and how they are managed are stated in the table below.

Risk / Policy	Definition	Policy	Actions
Interest Rates and Inflation	The risk of mismatch between the value of the Scheme's assets and the present value of liabilities from changes in interest rates and inflation expectations.	To protect the Scheme against changes to interest rates and market-implied inflation, the Trustee has implemented a Liability-Driven Investment strategy.	The Scheme implemented a refreshed liability-driven investment ("LDI") mandate, increasing the target level of hedging of interest rate sensitivity from c.45% to c.70% and increasing the target level of hedging of inflation expectation sensitivity from c.70% to c.85% (on a Technical Provisions basis).
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).	There have been no changes to the policy over the reporting year.
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 affordable and practical.	There have been no changes to the policy over the reporting year. The Trustee regularly reviews the performance of the managers and have concluded the allocation remains appropriate.
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. To select investment managers on the platform who actively manage this risk by seeking to invest only in debt securities where the yield available sufficiently compensates the Scheme for the risk of default.	There have been no changes to the policy over the reporting year.

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.	To select managers on the Mobius platform who satisfy the following criteria, unless there is a good reason why the manager does not satisfy each criterion: 1. Formalised a Responsible Investment ('RI') Policy / Framework. 2. Implementation of the RI Policy / Framework via the investment process. 3. A track record of using engagement and any voting rights to manage ESG factors. 4. ESG-specific reporting. 5. Signatory to the UN PRI. The Trustee monitors the managers on an ongoing basis.	ESG actions undertaken: More details of the ESG policy and how it was implemented are presented later in this report.
Currency	The potential for adverse currency movements to have an impact on the Scheme's investments.	Hedge all currency risk.	There have been no changes to the policy over the reporting year.
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.	There have been no changes to the policy over the reporting year.

Changes to the SIP

The Trustee updated the Scheme's SIP in November 2022. The most significant updates included the following:

- The Scheme implemented a refreshed LDI mandate, increasing the target level of hedging on interest rates from c.45% to c.70% and increasing the target level of hedging on inflation expectations from c.70% to c.85% (on a Technical Provisions basis). The target allocation to growth assets was reduced from 85% to 80% and the expected return of the portfolio was reduced from gilts+2.8% pa to gilts+2.6% pa.

After 31 December 2022, the Trustee updated a number of its policies in the SIP. The most significant updates included the following:

- The Scheme implemented a refreshed LDI mandate, increasing the target level of hedging on interest rates from c.70% to c.95% and increasing the target level of hedging on inflation expectations from c.85% to c.100% (on a Technical Provisions basis). The target allocation to growth assets was reduced from 80% to 70% and the expected return of the portfolio was reduced from gilts+2.6% pa to gilts+2.3% pa.
- The Scheme will factor in the need to provide collateral to the LDI manager when considering liquidity risk.
- Trustee updated its policies in the SIP on engaging with investment managers about relevant ESG matters as follows:

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

The Trustee, via its 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 managers – the Trustee will consider potential managers' stewardship policies and activities.*
- *Collaborative investor initiatives – the Trustee will consider joining/supporting collaborative investor initiatives.*

Implementing the current ESG policy and approach

The SIP describes the Scheme's policy with regards to ESG factors as a material risk. This page details how the Scheme's ESG policy is implemented. The rest of this statement details the Trustee's view of the managers, the 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. The Trustee will review the Scheme's ESG policies and engagements periodically to ensure they remain fit for purpose.

Areas for monitoring and engagement	Method for monitoring and engagement	Circumstances for additional monitoring and engagement
Environmental, Social, Corporate Governance factors and the exercising of rights.	<p>The Trustee's investment managers provide information via the platform providers on how they have engaged with issuers regarding social, environmental and corporate governance issues.</p> <p>The Trustee receives information from its investment advisers and/or platform provider on the investment managers' approaches to engagement.</p>	<p>The manager has not acted in accordance with their policies and frameworks.</p> <p>The manager's policies are not in line with the Trustee's policies in this area.</p>

Engagement and voting

Please refer to the Mobius ESG Report dated 31 December 2022 for a summary of the engagement and voting activity for the 12 months to 31 December 2022.

Voting and most-significant votes

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

The Scheme's fund managers have provided details on their voting actions including a summary of the activity covering the reporting year up to 31 December 2022. The Trustee 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 for each fund the Trustee considers the most-significant vote to be the vote relating to the greatest exposure within the Scheme's mandate.

Of the Scheme's investment managers, only L&G Life (with underlying funds managed by LGIM) had voting rights attached. LGIM uses the ProxyExchange electronic voting platform provided by ISS to vote on resolutions. In using this platform, LGIM have a custom voting policy in place with specific voting instructions, with ISS recommendations augmenting their own research.

Fund name	Voting summary	Most significant vote and commentary
L&G Life UK Equity Index Fund	<p><i>Votable Proposals: 10,854</i> <i>Proposals Voted: 99.9%</i></p> <p><i>Of proposals voted:</i> <i>With management: 94.5%</i> <i>Against management: 5.5%</i> <i>Abstentions: 0.0%</i></p> <p><i>Of proposals voted:</i> <i>Non-proxy agent votes: 4.3%</i> <i>Proxy agent votes: 95.7%</i></p>	<p>Name of company: Royal Dutch Shell Plc</p> <p>Date of vote: 24 May 2022</p> <p>Approximate size of the mandate's holding: 6.7%</p> <p>Summary of the resolution: Approve the Shell Energy Transition Progress Update</p> <p>Why LGIM considers the resolution significant: It is an escalation of LGIM's climate-related engagement activity and their public call for high quality and credible transition plans to be subject to a shareholder vote.</p> <p>How the service provider voted: Against</p> <p>Rationale for voting position: LGIM remain concerned with the disclosed plans for oil and gas production and seek further disclosure of targets associated with the upstream and downstream businesses.</p> <p>Whether the intention was communicated to the company ahead of the vote: LGIM publicly communicates their vote instructions on their website with the rationale for all votes against management. It is their policy not to engage with investee companies in the three weeks prior to an AGM as engagement is not limited to shareholder meeting topics.</p> <p>Outcome of the vote: 80%</p> <p>Next steps: LGIM will continue to engage, publicly advocate their position on this issue and monitor company and market-level progress.</p>
L&G Life Europe (ex UK) Equity Index Fund GBP Currency Hedged	<p><i>Votable Proposals: 10,296</i> <i>Proposals Voted: 99.8%</i></p> <p><i>Of proposals voted:</i> <i>With management: 81.4%</i> <i>Against management: 18.1%</i> <i>Abstentions: 0.5%</i></p> <p><i>Of proposals voted:</i> <i>Non-proxy agent votes: 9.5%</i> <i>Proxy agent votes: 90.5%</i></p>	<p>Name of company: LVMH Moet Hennessy Louis Vuitton SE</p> <p>Date of vote: 21 April 2022</p> <p>Approximate size of the mandate's holding: 2.2%</p> <p>Summary of the resolution: Re-elect Bernard Arnault as Director</p> <p>Why LGIM considers the resolution significant: LGIM has a longstanding policy advocating for the separation of the roles of CEO and Board Chair.</p> <p>How the service provider voted: Against</p> <p>Rationale for voting position: LGIM expects companies not to combine the roles of Board Chair and CEO. They view these two roles to be substantially different so a division of responsibilities ensures there is a proper balance of authority and responsibility on the Board.</p> <p>Whether the intention was communicated to the company ahead of the vote: LGIM publicly communicates their vote instructions on their website with the rationale for all votes against management. It is their policy not to engage with investee companies in the three weeks prior to an AGM as engagement is not limited to shareholder meeting topics.</p> <p>Outcome of the vote: 92%</p> <p>Next steps: LGIM will continue to engage, publicly advocate their position on this issue and monitor company and market-level progress.</p>

L&G Life North America Equity Index Fund GBP Currency Hedged	<p><i>Votable Proposals: 8,416</i> <i>Proposals Voted: 99.4%</i></p> <p><i>Of proposals voted:</i> <i>With management: 65.2%</i> <i>Against management: 34.8%</i> <i>Abstentions: 0.1%</i></p> <p><i>Of proposals voted:</i> <i>Non-proxy agent votes: 26.6%</i> <i>Proxy agent votes: 73.4%</i></p>	<p>Name of company: Apple Inc.</p> <p>Date of vote: 4 March 2022</p> <p>Approximate size of the mandate's holding: 6.0%</p> <p>Summary of the resolution: Report on Civil Rights Audit</p> <p>Why LGIM considers the resolution significant: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.</p> <p>How the service provider voted: For</p> <p>Rationale for voting position: LGIM supports proposals related to diversity and inclusion policies as they consider these issues to be a material risk to companies.</p> <p>Whether the intention was communicated to the company ahead of the vote: LGIM publicly communicates their vote instructions on their website with the rationale for all votes against management. It is their policy not to engage with investee companies in the three weeks prior to an AGM as engagement is not limited to shareholder meeting topics.</p> <p>Outcome of the vote: 54%</p> <p>Next steps: LGIM will continue to engage, publicly advocate their position on this issue and monitor company and market-level progress.</p>
L&G Life Japan Equity Index Fund GBP Currency Hedged	<p><i>Votable Proposals: 6,255</i> <i>Proposals Voted: 100.0%</i></p> <p><i>Of proposals voted:</i> <i>With management: 88.5%</i> <i>Against management: 11.5%</i> <i>Abstentions: 0.0%</i></p> <p><i>Of proposals voted:</i> <i>Non-proxy agent votes: 9.2%</i> <i>Proxy agent votes: 90.8%</i></p>	<p>Name of company: Shin-Etsu Chemical Co., Ltd.</p> <p>Date of vote: 29 June 2022</p> <p>Approximate size of the mandate's holding: 1.4%</p> <p>Summary of the resolution: Elect Director Chihiro Kanagawa</p> <p>Why LGIM considers the resolution significant: LGIM views diversity as a financially material issue for their clients, with implications for the assets they manage on their behalf.</p> <p>How the service provider voted: Against</p> <p>Rationale for voting position: LGIM were concerned with the lack of meaningful diversity on the board. The Company has not provided disclosure surrounding the use of former CEO as Advisor to the board and there was a lack of independent directors on the board.</p> <p>Whether the intention was communicated to the company ahead of the vote: LGIM publicly communicates their vote instructions on their website with the rationale for all votes against management. It is their policy not to engage with investee companies in the three weeks prior to an AGM as engagement is not limited to shareholder meeting topics.</p> <p>Outcome of the vote: Not provided</p> <p>Next steps: LGIM will continue to engage, publicly advocate their position on this issue and monitor company and market-level progress.</p>

L&G Life Asia Pacific (ex Japan) Developed Equity Index GBP Currency Hedged	<p><i>Votable Proposals: 3,592</i> <i>Proposals Voted: 100.0%</i></p> <p><i>Of proposals voted:</i> <i>With management: 71.6%</i> <i>Against management: 28.4%</i> <i>Abstentions: 0.0%</i></p> <p><i>Of proposals voted:</i> <i>Non-proxy agent votes: 17.8%</i> <i>Proxy agent votes: 82.2%</i></p>	<p>Name of company: Rio Tinto Limited</p> <p>Date of vote: 5 May 2022</p> <p>Approximate size of the mandate's holding: 1.0%</p> <p>Summary of the resolution: Approve Climate Action Plan</p> <p>Why LGIM considers the resolution significant: It is an escalation of LGIM's climate-related engagement activity and their public call for high quality and credible transition plans to be subject to a shareholder vote.</p> <p>How the service provider voted: Against</p> <p>Rationale for voting position: LGIM remain concerned with the absence of quantifiable targets for Scope 3 emissions, as well as the lack of commitment to an annual vote which would allow shareholders to monitor progress in a timely manner.</p> <p>Whether the intention was communicated to the company ahead of the vote: LGIM publicly communicates their vote instructions on their website with the rationale for all votes against management. It is their policy not to engage with investee companies in the three weeks prior to an AGM as engagement is not limited to shareholder meeting topics.</p> <p>Outcome of the vote: 84%</p> <p>Next steps: LGIM will continue to engage, publicly advocate their position on this issue and monitor company and market-level progress.</p>
L&G Life Diversified Fund	<p><i>Votable Proposals: 98,795</i> <i>Proposals Voted: 99.8%</i></p> <p><i>Of proposals voted:</i> <i>With management: 77.4%</i> <i>Against management: 21.9%</i> <i>Abstentions: 0.7%</i></p> <p><i>Of proposals voted:</i> <i>Non-proxy agent votes: 12.5%</i> <i>Proxy agent votes: 87.5%</i></p>	<p>Name of company: Prologis, Inc.</p> <p>Date of vote: 4 May 2022</p> <p>Approximate size of the mandate's holding: 0.4%</p> <p>Summary of the resolution: Elect Director Hamid R. Moghadam</p> <p>Why LGIM considers the resolution significant: LGIM has a longstanding policy advocating for the separation of the roles of CEO and Board Chair.</p> <p>How the service provider voted: Against</p> <p>Rationale for voting position: LGIM expects companies not to combine the roles of Board Chair and CEO. They view these two roles to be substantially different so a division of responsibilities ensures there is a proper balance of authority and responsibility on the Board.</p> <p>Whether the intention was communicated to the company ahead of the vote: LGIM publicly communicates their vote instructions on their website with the rationale for all votes against management. It is their policy not to engage with investee companies in the three weeks prior to an AGM as engagement is not limited to shareholder meeting topics.</p> <p>Outcome of the vote: 93%</p> <p>Next steps: LGIM will continue to engage, publicly advocate their position on this issue and monitor company and market-level progress.</p>

Rockwool Limited Pension Scheme

ESG REPORT – 31-Dec-2022



Fund	Fund Manager ESG Credentials	Fund ESG Credentials	
	Data Provided by FM as at	% Qs answered	Data Provided by FM as at
L&G Life EE North America Equity Index Fund GBP Currency Hedged	31/12/2022	75	31/12/2022
L&G Life N UK Equity Index Fund	31/12/2022	75	31/12/2022
L&G Life FABT Real Long Duration Fund	31/12/2022	75	31/12/2022
L&G Life MAAA LGIM Diversified Fund	31/12/2022	75	31/12/2022
L&G Life FABS Real Short Duration Fund	31/12/2022	75	31/12/2022
L&G Life EF Asia Pacific (ex Japan) Developed Equity Index GBP Currency Hedged	31/12/2022	75	31/12/2022
L&G Life FABR Fixed Long Duration Fund	31/12/2022	75	31/12/2022
M&G Total Return Credit Investment Fund	31/12/2022	90	31/12/2022
L&G Life EC Japan Equity Index Fund GBP Currency Hedged	31/12/2022	75	31/12/2022
L&G Life ED Europe (ex UK) Equity Index Fund GBP Currency Hedged	31/12/2022	75	31/12/2022

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 is not responsible for producing the implementation statement. When compiling this report, Mobius Life has shared all the information provided by the external fund manager. Where a response field is blank this means the question is not applicable or a response was not provided by the fund manager.

Mobius Life accepts no responsibility or liability for the accuracy or content of the data provided by the external fund managers.

Questions	Legal and General (LGIM)		
<p>Do you have an ESG policy that is integrated into the investment process?</p>	<p>Yes</p> <p>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.</p>	<p>Are Senior Management accountable for ESG or Climate Change risks?</p>	<p>Yes</p> <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. As at the end of June 2022, there are a total of 47 LGIM employees with roles dedicated to ESG, some of which are outlined in more detail below. • There are 20 people in our global Investment Stewardship team, led by Kurt Morriesen. The team is responsible for developing and carrying out LGIM's investment stewardship and responsible investment activities as well as the oversight, implementation and integration of ESG across the firm. • 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. • As Global Head of 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. • Amelia Tan has recently joined LGIM as the Head of Responsible Investing Strategy for Investments (January 2022). This role ensures that LGIM stays at the cutting edge of innovation within responsible investing and creates a coordinated approach across asset classes, which is embedded throughout our funds and portfolios. • 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. As at the end of June 2022, we also have a further 62 colleagues across Investments whose roles have very substantial contribution to our responsible investing capabilities and whose objectives reflect this although their responsibilities are broader than solely ESG. 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. As at the end of June 2022, there are over 70 participants which includes members of our investment teams primarily along with representation from Investment Stewardship, who overlap on these groups.</p>
<p>Do you have a firm ESG rating?</p>	<p>Yes</p> <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, ICSCA and UN PRI for our: • Engagement activities disclosure • Market-wide involvement in lobbying activities • Strong implementation of ESG and corporate governance matters into our stewardship activities.</p>	<p>Do you have a dedicated team that considers ESG and Climate Change related factors?</p>	<p>Yes</p> <p>There are a total of 37 LGIM employees with roles dedicated to ESG. In addition, we have a further 58 colleagues whose roles have very substantial contribution to our responsible investing capabilities and whose objectives reflect this although their responsibilities are broader than solely ESG.</p>

Questions	Legal and General (LGIM)		
Please provide your UNPRI survey scores		Do you rely on any third parties to provide ESG and Climate Change related analysis/research?	Bloomberg, CDP, Diligent, HSBC, InfluenceMap, ISS, IVIS, Maplecroft, Refinitiv, RepRisk, Sustainalytics We obtain a large ESG raw data set from a wide range of data and analysis providers which can be used for voting, engagement, research, index/portfolio construction and management. We typically licence raw data from such providers, as opposed to off-the-shelf ESG scores/rating, as we believe our knowledge and expertise of investing and engaging with companies are best placed to identify material and relevant ESG factors. This quantitative data is supplemented by qualitative research from academic and NGO research as well as sell-side broker reports.
Do you have a Climate Change policy that is integrated into the investment process?	Yes We have developed proprietary ESG tools, used across different asset classes and investment strategies, which incorporate climate change metrics such as carbon emissions, fossil fuel exposure or 'green' revenues. These tools are used to support fund managers, develop new investment solutions, assist the investment stewardship team in its engagements with companies, and help clients understand more about the climate risks and opportunities in their portfolios. LGIM has developed a bespoke climate solutions framework, Destination@Risk, which allows us to quantify the implications of different climate change scenarios across the global economy, key sectors, and individual securities, including a forward-looking assessment of 'temperature alignment'. The outputs of the framework are used to inform our climate-related engagements, to support our investment process, and to develop climate reporting for clients.	Do you create your own ESG or Climate Change related scores	Yes 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. We have identified 30 ESG indicators based on our expertise and experience in corporate reporting, corporate disclosures and transparency. 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).
Does your company have a policy on equality and diversity in the workplace?	Yes LGIM is an award winning company, we are committed to delivering the right products and solutions to our clients and we believe the key to our success is our people. Steered by the Executive team, diversity and inclusion is embedded in our culture from the way we recruit, develop and connect with employees, to how we steward responsible investing through ESG. To show our commitment to making diversity and inclusion part of everything we do, the role of Head of Inclusion & Culture was created in 2018. Colette Comerford was appointed to the role with responsibility for driving the evolution and continuous improvement of LGIM's culture, diversity and inclusion objectives, working closely with the executive team, our Senior HR team, LEGIT (Legal & General Inclusion team) and L&G's Group Diversity and Inclusion team.	Do you provide any reporting publicly or to clients with regard to ESG and Climate Change related issues? How often?	Yes Quarterly
Do ESG related factors get considered with respect to performance management of investment companies and funds?	Yes ESG factors are embedded into our evaluation of investment opportunities across many investment strategies to identify unrewarded risk, and protect and enhance the long-term value of all our clients' investments. Our investment framework is designed with several objectives in mind: • Encouraging companies to improve their behaviour, and the quality of their ESG disclosures, we can raise the standards of entire markets, and help generate sustainable, long-term returns for our clients • Assessing a company's ESG risks: we see unmanaged	Are you signatories of the FRC UK Stewardship Code or equivalent?	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.

Fund Manager Business Response

Questions	Legal and General (LGIM)		
	ESG factors, meanwhile, as posing potential risks and opportunities, which can have a material impact on the performance of investments • Identifying the winners of the future, the companies to which investors will allocate ever-larger amounts of capital.		

Questions	M&G Investments		
Do you have an ESG policy that is integrated into the investment process?	<p>Yes</p> <p>On 1 January 2022, M&G published its ESG Investment Policy. This further sets out our principles-based approach to addressing ESG matters in investing, and policies for specific ESG matters that must be applied by the asset manager across all asset classes.</p> <p>The Policy is owned by the Chief Investment Officer (CIO) or their delegated deputy, and will be refreshed at least annually. Updates to the new policy can be summarised by the below bullet points:</p> <ul style="list-style-type: none"> - M&G's new ESG priorities for the year (Climate Change and Diversity and Inclusion) - Inclusion of M&G's Climate change objectives (becoming Net Zero as an organisation by 2030, and achieve Net Zero investment portfolios by 2050 across the group's total assets under management, to align with the Paris Agreement. - Addition of the ESG Governance structure of the group - Details of M&G's ESG Investment principles, which we use to inform and guide all investments made as an asset manager. These principles are consistent with M&G plc's ESG principles and reflect the firm's purpose and corporate values of Care and Integrity. 	Are Senior Management accountable for ESG or Climate Change risks?	<p>Yes</p> <p>Yes</p>

Questions	M&G Investments		
	<ul style="list-style-type: none"> - Details of M&G's ESG integration approach across all asset classes. - Further information on M&G's Engagement and Exclusion approaches. 		
Do you have a firm ESG rating?	Yes	Do you have a dedicated team that considers ESG and Climate Change related factors?	Yes Yes
Please provide your UNPRI survey scores	<p>We are advised not to report individual scores. Please see our 2021 UNPRI Assessment report attached to be read in conjunction with following Transparency link and UNPRI Assessment Method:</p> <p>Transparency Report</p> <p>2021 Assessment Methodology</p>	Do you rely on any third parties to provide ESG and Climate Change related analysis/research?	Yes Yes, MSCI, ISS, Eikon & RepRisk
Do you have a Climate Change policy that is integrated into the investment process?	Yes Yes	Do you create your own ESG or Climate Change related scores	Yes Yes, we have proprietary ESG scorecards to capture our ESG analysis.
Does your company have a policy on equality and diversity in the workplace?	Yes Yes	Do you provide any reporting publicly or to clients with regard to ESG and Climate Change related issues? How often?	Yes Yes, we publish firm wide periodic reports and we also publish fund related information on our website.
Do ESG related factors get considered with respect to performance management of investment companies and funds?	Yes Yes	Are you signatories of the FRC UK Stewardship Code or equivalent?	Yes Yes, we are signatories to UK stewardship code.

Activity	L&G Life EE North America Equity Index Fund GBP Currency Hedged		
How many engagements have you had with companies in the past 12 months?	252	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
How many engagements were made regarding climate change?	56	Do you use a third party to vote on your behalf? If Yes, please provide the details of your provider and any comments	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.
How many engagements were made regarding board diversity?	34	How many votes were proposed across the underlying companies in the fund?	8416
How many engagements were made regarding waste reduction?		How many times did you vote in favour of management?	5706
How many engagements were made regarding financials?		How many times did you vote against management?	2146
How many engagements were made regarding other issues?	27	How many votes did you abstain from?	5
Which form of engagement is most representative of the approach taken for this fund over the last 12 months: <ul style="list-style-type: none"> • 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 votes and outcomes from the last 12 months.	
Please discuss some of the key engagements and outcomes from the last 12 months.		Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	Yes - the fund produces approximately 212.1 Weighted Average Carbon Emissions Scope 1 + Scope 2 (Tonnes CO2e per 1 million USD Invested) as of 31 December 2022
What is the target turnover rate for the portfolio?		What was the actual turnover rate over the last 12 months?	1.7%

Activity	L&G Life N UK Equity Index Fund		
How many engagements have you had with companies in the past 12 months?	266	Do you conduct your own votes?	LGIM's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically

Activity	L&G Life N UK Equity Index Fund		
			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
How many engagements were made regarding climate change?	45	Do you use a third party to vote on your behalf? If Yes, please provide the details of your provider and any comments	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.
How many engagements were made regarding board diversity?	30	How many votes were proposed across the underlying companies in the fund?	10854
How many engagements were made regarding waste reduction?		How many times did you vote in favour of management?	10241
How many engagements were made regarding financials?		How many times did you vote against management?	605
How many engagements were made regarding other issues?	36	How many votes did you abstain from?	0
Which form of engagement is most representative of the approach taken for this fund over the last 12 months: <ul style="list-style-type: none"> • 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 votes and outcomes from the last 12 months.	
Please discuss some of the key engagements and outcomes from the last 12 months.		Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	Yes - the fund produces approximately 201.7 Weighted Average Carbon Emissions Scope 1 + Scope 2 (Tonnes CO2e per 1 million USD Invested) as of 31 December 2022
What is the target turnover rate for the portfolio?		What was the actual turnover rate over the last 12 months?	0.27%

Activity	L&G Life FABT Real Long Duration Fund		
How many engagements have you had with companies in the past 12 months?		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

Activity	L&G Life FABT Real Long Duration Fund		
How many engagements were made regarding climate change?		Do you use a third party to vote on your behalf? If Yes, please provide the details of your provider and any comments	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.
How many engagements were made regarding board diversity?		How many votes were proposed across the underlying companies in the fund?	
How many engagements were made regarding waste reduction?		How many times did you vote in favour of management?	
How many engagements were made regarding financials?		How many times did you vote against management?	
How many engagements were made regarding other issues?		How many votes did you abstain from?	
Which form of engagement is most representative of the approach taken for this fund over the last 12 months: <ul style="list-style-type: none"> • 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 votes and outcomes from the last 12 months.	
Please discuss some of the key engagements and outcomes from the last 12 months.		Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	
What is the target turnover rate for the portfolio?		What was the actual turnover rate over the last 12 months?	

Activity	L&G Life MAAA LGIM Diversified Fund		
How many engagements have you had with companies in the past 12 months?	947	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
How many engagements were made regarding climate change?	140	Do you use a third party to vote on your behalf? If Yes, please provide the details of your provider and any comments	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

Fund Manager Product Response

Activity	L&G Life MAAA LGIM Diversified Fund		
			on ESG, we have put in place a custom voting policy with specific voting instructions.
How many engagements were made regarding board diversity?		How many votes were proposed across the underlying companies in the fund?	98795
How many engagements were made regarding waste reduction?		How many times did you vote in favour of management?	75202
How many engagements were made regarding financials?		How many times did you vote against management?	20117
How many engagements were made regarding other issues?	164	How many votes did you abstain from?	701
Which form of engagement is most representative of the approach taken for this fund over the last 12 months: <ul style="list-style-type: none"> • 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 votes and outcomes from the last 12 months.	
Please discuss some of the key engagements and outcomes from the last 12 months.		Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	Yes - the fund produces approximately 355.3 Weighted Average Carbon Emissions Scope 1 + Scope 2 (Tonnes CO2e per 1 million USD Invested) as of 31 December 2022
What is the target turnover rate for the portfolio?		What was the actual turnover rate over the last 12 months?	-0.17%

Activity	L&G Life FABS Real Short Duration Fund		
How many engagements have you had with companies in the past 12 months?		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
How many engagements were made regarding climate change?		Do you use a third party to vote on your behalf? If Yes, please provide the details of your provider and any comments	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.

Activity	L&G Life FABS Real Short Duration Fund		
How many engagements were made regarding board diversity?		How many votes were proposed across the underlying companies in the fund?	
How many engagements were made regarding waste reduction?		How many times did you vote in favour of management?	
How many engagements were made regarding financials?		How many times did you vote against management?	
How many engagements were made regarding other issues?		How many votes did you abstain from?	
Which form of engagement is most representative of the approach taken for this fund over the last 12 months: <ul style="list-style-type: none"> • 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 votes and outcomes from the last 12 months.	
Please discuss some of the key engagements and outcomes from the last 12 months.		Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	
What is the target turnover rate for the portfolio?		What was the actual turnover rate over the last 12 months?	

Activity	L&G Life EF Asia Pacific (ex Japan) Developed Equity Index GBP Currency Hedged		
How many engagements have you had with companies in the past 12 months?	108	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
How many engagements were made regarding climate change?	32	Do you use a third party to vote on your behalf? If Yes, please provide the details of your provider and any comments	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.

Activity	L&G Life EF Asia Pacific (ex Japan) Developed Equity Index GBP Currency Hedged		
How many engagements were made regarding board diversity?		How many votes were proposed across the underlying companies in the fund?	3592
How many engagements were made regarding waste reduction?		How many times did you vote in favour of management?	2554
How many engagements were made regarding financials?		How many times did you vote against management?	1037
How many engagements were made regarding other issues?	18	How many votes did you abstain from?	1
Which form of engagement is most representative of the approach taken for this fund over the last 12 months: <ul style="list-style-type: none"> • 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 votes and outcomes from the last 12 months.	
Please discuss some of the key engagements and outcomes from the last 12 months.		Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	Yes - the fund produces approximately 345.2 Weighted Average Carbon Emissions Scope 1 + Scope 2 (Tonnes CO2e per 1 million USD Invested) as of 31 December 2022
What is the target turnover rate for the portfolio?		What was the actual turnover rate over the last 12 months?	0.13%

Activity	L&G Life FABR Fixed Long Duration Fund		
How many engagements have you had with companies in the past 12 months?		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
How many engagements were made regarding climate change?		Do you use a third party to vote on your behalf? If Yes, please provide the details of your provider and any comments	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.
How many engagements were made regarding board diversity?		How many votes were proposed across the underlying companies in the fund?	

Activity	L&G Life FABR Fixed Long Duration Fund		
How many engagements were made regarding waste reduction?		How many times did you vote in favour of management?	
How many engagements were made regarding financials?		How many times did you vote against management?	
How many engagements were made regarding other issues?		How many votes did you abstain from?	
Which form of engagement is most representative of the approach taken for this fund over the last 12 months: <ul style="list-style-type: none"> • 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 votes and outcomes from the last 12 months.	
Please discuss some of the key engagements and outcomes from the last 12 months.		Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	
What is the target turnover rate for the portfolio?		What was the actual turnover rate over the last 12 months?	

Activity	M&G Total Return Credit Investment Fund		
How many engagements have you had with companies in the past 12 months?	11	Do you conduct your own votes?	N/A
How many engagements were made regarding climate change?	5	Do you use a third party to vote on your behalf? If Yes, please provide the details of your provider and any comments	N/A
How many engagements were made regarding board diversity?	1	How many votes were proposed across the underlying companies in the fund?	
How many engagements were made regarding waste reduction?		How many times did you vote in favour of management?	
How many engagements were made regarding financials?		How many times did you vote against management?	
How many engagements were made regarding other issues?	5	How many votes did you abstain from?	

Activity	M&G Total Return Credit Investment Fund		
<p>Which form of engagement is most representative of the approach taken for this fund over the last 12 months:</p> <ul style="list-style-type: none"> • 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 	<p>Active private engagement on specific issues</p>	<p>Please discuss some of the key votes and outcomes from the last 12 months.</p>	<p>N/A</p>
<p>Please discuss some of the key engagements and outcomes from the last 12 months.</p>	<p>Engagement with MARKS AND SPENCER PLC: Objective: To explore the potential of M&S, British multinational retailer, becoming Real Living Wage accredited. Action Taken: M&G sent a letter to the company to make our expectations known Engagement result: Their aim is to maintain pay levels for all M&S colleagues which are competitive in the relevant market. For frontline colleagues in stores, their national and London rates are above the real living wage. As they pay above the Living Wage to their own employees, there is no additional cost of doing so, or impact on pay differentials. Currently their position is that they are not seeking accreditation as a Living Wage Employer. This is because they prefer to set rates independently and do not wish to impose pay arrangements on third-party contractors. The main complexity here would be amending contracts with third-party suppliers. They are, however, committed to paying colleagues fairly and take a range of external factors into consideration when setting our hourly rates, including the real Living Wage rates. They also consider internal factors, such as business performance and the wider reward package, which includes a generous pension and a discount on M&S products. M&S also have one of the lowest turnover rates in the retail sector and colleagues who stay with the business for many years. They informed us that they work hard to stay engaged with all employees, including a Reward and Wellbeing Survey for last year which provided rich information about what really matters to them. M&G noted the concerns that the company had in regard to becoming accredited, and were happy with the overall work that the company was doing to ensure that employees are fairly paid.</p> <p>Engagement with THERMO FISHER: Objective: To ensure that US medical technology and analytical equipment business Thermo Fisher Scientific had effective policies and procedures in place to help avoid the misuse of its equipment. By way of background, following public reports regarding human rights violations against the Uyghur people in China's Xinjiang region, coupled with speculation that Thermo Fisher's STR (Short Tandem Repeat) DNA products were being potentially used in a manner inconsistent with human rights principles, the company ceased any new sales of human identification (HID) products to Xinjiang Public Security Bureaus in March of 2019. This equipment is usually used in, for example, forensics - to match DNA to an established database - and cannot, in and of itself, be used to identify or profile ethnic minority populations. Action: M&G met with the company's investor relations and the senior director of corporate social responsibility to discuss the issue. Outcome: We were satisfied that Thermo Fisher had taken the issue seriously, and responded by improving its policies</p>	<p>Do you monitor the carbon emission levels or similar of the underlying companies in the fund?</p>	<p>As an asset manager we use a range of information, including portfolio alignment data and scenario modelling, to identify exposure to climate risk across our clients' portfolios. We have a range of tools used to identify and assess risks including our Portfolio Analytics Tool (PAT) and Coal Tool, which provide a quantitative assessment of investees' exposure to climate risks and opportunities. Our portfolio analytics tool (PAT), which incorporates NZIF metrics, allows our investment teams to monitor and visualise climate data and enables them to track progress against relevant benchmarks. In 2022, the PAT was updated to reflect the latest climate science and bring the NZIF in line with relevant IIGCC guidelines.</p>

Activity	M&G Total Return Credit Investment Fund		
	<p>and procedures. It has adopted and implemented a Code of Business Conduct and Ethics, applicable to all directors, officers, and employees, who receive annual training on the code. In order to help ensure that no products or services are sold that could potentially be used in unintended ways to violate human rights, the company implemented a multi-level purchasing process designed to prevent the ordering and resale of HID products to public security bureaus in the region (and has produced a broader list of countries it will not sell to, based on country risk assessment). The company has an approved network of authorised distributors that agree to comply with this purchasing process under the terms of their contract. Thermo Fisher also has in place a cross-functional Bioethics Committee, consisting of the Chief Operating Officer, the Chief Science Officer, and leaders representing its life sciences and diagnostics businesses and legal and communications functions. The Bioethics Committee regularly assesses the ethical and social implications of scientific developments in biotechnology, and has regularly reviewed Thermo Fisher's existing policies and provided updates to the company's Science and Technology Committee of its board of directors. We will further engage with the company on matters of bioethics in due course.</p>		
What is the target turnover rate for the portfolio?		What was the actual turnover rate over the last 12 months?	

Activity	L&G Life EC Japan Equity Index Fund GBP Currency Hedged		
How many engagements have you had with companies in the past 12 months?	100	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
How many engagements were made regarding climate change?	33	Do you use a third party to vote on your behalf? If Yes, please provide the details of your provider and any comments	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.
How many engagements were made regarding board diversity?	14	How many votes were proposed across the underlying companies in the fund?	6225
How many engagements were made regarding waste reduction?		How many times did you vote in favour of management?	5490

Fund Manager Product Response

Activity	L&G Life EC Japan Equity Index Fund GBP Currency Hedged		
How many engagements were made regarding financials?		How many times did you vote against management?	764
How many engagements were made regarding other issues?	24	How many votes did you abstain from?	1
Which form of engagement is most representative of the approach taken for this fund over the last 12 months: <ul style="list-style-type: none"> • 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 votes and outcomes from the last 12 months.	
Please discuss some of the key engagements and outcomes from the last 12 months.		Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	Yes - the fund produces approximately 116.7 Weighted Average Carbon Emissions Scope 1 + Scope 2 (Tonnes CO2e per 1 million USD Invested) as of 31 December 2022
What is the target turnover rate for the portfolio?		What was the actual turnover rate over the last 12 months?	

Activity	L&G Life ED Europe (ex UK) Equity Index Fund GBP Currency Hedged		
How many engagements have you had with companies in the past 12 months?	139	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
How many engagements were made regarding climate change?	47	Do you use a third party to vote on your behalf? If Yes, please provide the details of your provider and any comments	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.
How many engagements were made regarding board diversity?	15	How many votes were proposed across the underlying companies in the fund?	10296
How many engagements were made regarding waste reduction?		How many times did you vote in favour of management?	8184
How many engagements were made regarding financials?		How many times did you vote against management?	2039
How many engagements were made regarding other issues?	15	How many votes did you abstain from?	51

Fund Manager Product Response

Activity	L&G Life ED Europe (ex UK) Equity Index Fund GBP Currency Hedged		
Which form of engagement is most representative of the approach taken for this fund over the last 12 months: <ul style="list-style-type: none"> • 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 votes and outcomes from the last 12 months.	
Please discuss some of the key engagements and outcomes from the last 12 months.		Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	Yes - the fund produces approximately 177.3 Weighted Average Carbon Emissions Scope 1 + Scope 2 (Tonnes CO ₂ e per 1 million USD Invested) as of 31 December 2022
What is the target turnover rate for the portfolio?		What was the actual turnover rate over the last 12 months?	

Important Information

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Within a fund, the asset allocations and choice of asset managers are at the discretion of Mobius Life and may change without notification to the investor.

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