Annual Implementation Statement

Scheme year ending 30 September 2021

1. Introduction and purpose of this Statement

This document is the Annual Implementation Statement ("the Statement") prepared by the Trustee covering the Scheme year to 30 September 2021. The purpose of this Statement is to:

- detail any reviews of the Statement of Investment Principles ('SIP'), required under section 35 of the Pensions Act 1995, that the Trustee has undertaken, and any changes made to the SIP over the year as a result of the review
- set out the extent to which, in the opinion of the Trustee, the Scheme's SIP has been followed during the year
- describe the voting behaviour by, or on behalf of, the Trustee over the year
- set out the extent to which, in the opinion of the Trustee, the engagement policy within the SIP has been followed during the year.

A copy of this Statement will be made available on the following website: www.cityandguildsgroup.com/group-policies

2. Review of and changes to the SIP

Review of the SIP and changes made during the Scheme year

During the Scheme year the Trustee reviewed the Scheme's investment strategy and journey plan to consider the impact of additional de-risking as part of the discussions surrounding the 2020 triennial actuarial valuation.

In February 2021, the Trustee agreed to a number of changes to the Scheme's investment arrangements including agreeing a long-term objective to be fully funded on gilts + 0.8% p.a. and further de-risking the Scheme's investment strategy. Following agreement of these changes, the SIP was reviewed and subsequently updated during the Scheme year. This included updates to the strategic benchmark and to the expected return assumptions used in developing the new strategy. Having agreed a new strategy, the dynamic de-risking framework that was previously in operation was no longer appropriate, and the reference to this framework was therefore removed from the SIP.

The revised SIP was dated June 2021 and formally adopted by the Trustee on 24 September 2021 after consultation with the Institute.

3. Adherence to the SIP

The Trustee believes that the policies set out in the SIP have been followed during the 2020/2021 Scheme year and the justification for this is set out in the remainder of this section. For ease of reference, compliance with the SIP has been sub-divided into separate Defined Benefit and Defined Contribution sections to reflect the different considerations and policies applying to each section.

Defined Contribution (DC) Section

Overall investment objectives

The Trustee's overall investment objectives are set out on page 9 of the SIP which can be accessed www.cityandguildsgroup.com/group-policies

The Trustee meets these objectives by reviewing the Scheme's investment strategy on at least a three-yearly basis. The last review was undertaken in September 2018. Each review considers such matters as: the demographic profile of the membership, the likely income choices members will make at retirement, the membership's risk profile, the Trustee's governance approach to the investment options to be made available, developments in the money purchase/defined contribution market and legislative changes.

How does the Trustee meet its investment obligations?

The Trustee meets quarterly to conduct its business, which includes monitoring the Scheme's investment strategy and performance of the Scheme's fund range. The Scheme's investment and DC advisers update the Trustee in between these meetings if a particular issue arises with its DC investment platform provider, Aviva, or one of the funds made available on Aviva's investment platform.

Setting investment strategy

As described above, the Trustee formally reviews the Scheme's investment strategy on at least a three-yearly basis.

The current investment strategy was set in September 2018. The Trustee engaged their DC adviser to undertake a review of the Scheme's investment strategy, taking in to account the demographic profile and expected needs of the Scheme's current and expected future membership.

The Scheme's fund range offered to members, fund objectives, benchmark and fees can be found on page 23 of the SIP which can be accessed www.cityandguildsgroup.com/group-policies

No formal review of the strategy was scheduled or undertaken during the reporting period. The Trustee monitors the performance of the underlying funds on a quarterly basis and keeps abreast of any legislative or investment changes that would necessitate a review sooner than the next scheduled review. This scheduled review was due in September 2021 but it was decided to defer this until the outcome of the Institute's ongoing review of its future DC pension strategy was known, subject to this being resolved in early 2022.

Risk management

The Trustee has considered and identified the key DC risks members are exposed to. These are shown on page 19 of the SIP which can be accessed www.cityandguildsgroup.com/group-policies The Trustee has considered and identified the following key DC risks members are exposed to:

Inflation risk is managed by providing an investment option which is expected to provide a long-term rate of return that matches or exceeds inflation.

Capital risk is managed by providing an investment option which offers a degree of capital protection. A cash deposit fund is an example of such an option.

Pension conversion risk is managed by providing an investment option which generally reflects changes in long term interest rates in the belief that the cost of many annuities in the future will be based, at least in part, on these rates.

Mismatching risk is managed by providing alternative investment options, enabling members to align their investment approach to the way in which they wish to access their pension rights on retirement.

The Trustee does not consider risk in isolation, but in conjunction with expected investment returns and outcomes for members. The Trustee reviews the key DC risks at each quarterly meeting through a risk register.

Default fund

For members that do not make an active investment choice, the Trustee has chosen a strategy, in line with its overall investment objectives, which manages overall risk and return through the member's journey to retirement.

The default investment strategy (Aviva's My Future Lifetime Investment programme) balances the trade-off between risk and expected returns both through the growth phase (medium risk assets aimed at helping pension savings grow) and the consolidation phase (switching into lower risk assets as members approach retirement).

As part of their monitoring, the Trustee considers the performance and volatility of the default strategy over various periods, concentrating on the mid to long-term periods.

Self-select funds

In line with the Trustee's objective to enable members to set their own investment strategy, the Trustee makes available a range of self-select funds. These include a number of life-style investment strategies that target different outcomes at retirement.

Members who prefer to make their own investment choices can therefore choose from a range of individual funds which were selected by the Trustee after taking professional investment advice.

In relation to the self-select funds, the Trustee has selected a range of funds which attempt to address the key DC risks the Trustee has identified. The Trustee measures the effectiveness of the investment choices to address these risks on an ongoing basis.

Investment performance monitoring

The Trustee regularly monitors the performance of the investment options and the Scheme's investment managers.

Over the reporting period, the Trustee considered the performance of the fund range at each of the quarterly Trustee meetings. In doing this, the Trustee discussed the market context alongside assessing how closely each of the funds had tracked their respective benchmarks as set out on page 23 of the SIP which can be accessed www.cityandguildsgroup.com/group-policies

The Trustee was satisfied that all investment options were performing in line with the agreed objectives and as such, no changes were made to the investments over period.

Professional advice

The Trustee is aware of the requirement to take professional advice when setting and reviewing investment strategy.

The Trustee has appointed Willis Towers Watson (WTW) to provide such advice. In accordance with this engagement, WTW provides a triennial strategy review which includes recommendations in relation to the default, additional lifestyles and wider fund range.

WTW also discusses the quarterly investment performance of the DC Section and highlights any particular cases where the funds have not performed in line with their agreed objectives. During the reporting period the Trustee established investment advisor objectives. The Trustee is currently considering how best to monitor the Scheme's advisors against these objectives.

Environmental, Social and Governance (ESG) considerations

Considering that the DC Section of the Scheme is delivered via a bundled platform, and the investment funds are predominantly passively managed, the Trustee takes a pragmatic approach to ESG considerations. This is reflected in the SIP.

The Trustee has delegated responsibility for the selection, retention and realisation of investments to the underlying investment managers. The Trustee takes account of known financially material risks and opportunities in consultation with its advisers. All risks and opportunities are considered for materiality and impact, taking into account the Scheme's investment time horizon and objectives.

At the present time the strategy is to invest predominantly in the passive funds which do not explicitly take account of social, environmental and governance considerations in the selection, retention and realisation of investments. However, the Trustee does review the strategy on an ongoing basis and may reflect these factors in any subsequent changes to the strategy or to underlying investment managers.

From April 2021, Aviva started to phase in an allocation of just over 40% to a new ESG focused investment fund within the My Future Lifetime Investment programme, the Scheme's default investment strategy. This is planned to take place over two years.

During the reporting period, the Trustee undertook the following ESG monitoring activity:

On 17 June 2021 Aviva presented to the Trustee on the approach taken by Aviva Investors, noting that:

- ESG issues have been integrated into all the assets managed by Aviva
- Aviva actively engages with investment managers to influence sectors and companies. Aviva was also influencing policy makers and regulators to create sustainable financial markets.
- Aviva retains the voting rights across all of its investment portfolios.

- Aviva had voted across a number of issues and activities as well as engaging with companies across different regions and categories. Further details of how Aviva voted over the reporting period can be found in Section 4 below.

- These interactions had brought positive changes around ESG issues.

The Trustee continues to develop their approach to ESG monitoring to ensure it remains aligned to their principles and policies as shown in the SIP.

Additional Voluntary Contributions (AVCs)

Assets in respect of members' additional voluntary contributions are invested via the DC Section of the Scheme. These AVC funds benefit from the same oversight and governance as the main DC Section.

Defined Benefit Section

Governance

The Trustee is responsible for investment matters related to the Defined Benefit Section of the Scheme. Four Trustee meetings were held over the year. The main investment focus of the Trustee over the course of 2021 was reviewing the investment strategy and long-term objectives of the Scheme.

During February 2021, the Trustee reviewed the Scheme's investment strategy as part of the discussions surrounding the 2020 actuarial valuation. The Trustee considered the impact of additional de-risking within the investment strategy, in part, driven by market volatility and the impact of the COVID-19 pandemic on the Institute covenant.

The Trustee received a training session on assessing and managing climate risk in September 2021. This session provided background on the different ways that climate change can impact the Scheme (assets, liabilities, covenant) and the benefits of looking to reduce portfolio emissions over time.

In addition, the Trustee received training on secure income assets as part of its work to improve the efficiency of the portfolio. This session explained the benefits of holding long-term, inflation-linked, cashflow generating assets which can be used to meet members benefit payments.

Investment strategy

The Trustee's investment objectives are set out in the SIP.

The Trustee recognises that the Scheme's investment strategy is of primary importance in seeking to achieve these objectives. In February 2021, the Trustee agreed to the following with respect to the Scheme's long-term Journey Plan:

- Move to a portfolio that is expected to generate gilts+1.6% p.a.
- Implement the gilts+1.6% pa portfolio using the current mandates and then review the potential to adopt a more efficient long-term structure in the future.
- to de-risk the Scheme's current investments by reducing the allocation to equity and diversification funds and increasing the allocation the BlackRock LDI mandate
- to retain the target hedge ratio to 100% of assets for both interest rates and inflation.

The table below sets out the new strategic asset allocation benchmark and control ranges that were agreed as part of this review, together with the actual asset allocation as at 30 September 2021. The actual asset allocation was within the agreed ranges as at 30 September 2021.

Asset Class	Actual % of total assets	Target % of total assets	Ranges % of total assets	Performance benchmark index
Total Return Seeking	**44.7**	**44.5**	**35.0– 55.5**	
Total equities	**2.8**	**2.0**	**1.0 – 5.0**	
UK equities	0.2	0.1	0.0 – 0.5	FTSE All-Share
Overseas Developed Markets equities	2.4	1.7	1.0 – 4.0	
GBP Hedged	*1.2*	*0.85*	*0.5 – 2.0*	*FTSE All World Developed ex UK 95% GBP Hedged*
Unhedged	*1.2*	*0.85*	*0.5 – 2.0*	*FTSE All World Developed ex UK*
Emerging Markets	0.2	0.2	0.0 – 0.5	MSCI Emerging Markets Index
Property	5.5	7.5	5.0 – 10.0	IPD UK– All Balanced Property Funds Weighted Average
Diversification funds	36.4	35.0	30.0 – 40.0	50% UK CPI + 2%; 50% UK RPI + 3%
Total Liability Hedging	**55.3**	**55.5**	**45.0 – 65.0**	
LDI Portfolio	55.3	55.5	45.0 – 65.0	Blended portfolio
Total	**100.0**	**100.0**		

Investment manager arrangements

There were no changes to the investment managers employed to manage the Scheme's assets during the year. WTW provides regular confirmation that investments are satisfactory.

The Scheme's portfolio is comprised of a portfolio of equities (UK, Overseas developed markets and Emerging Markets), a diversification funds' allocation, a UK property allocation and a portfolio of leveraged and unleveraged LDI funds.

The equities and LDI funds are managed passively by BlackRock. The diversification funds allocation is split between the Towers Watson Partners Fund, which is managed by Towers Watson Investment Management and the Fulcrum Diversified Absolute Return Fund. The UK Property allocations are managed by Hermes and Schroders.

The asset allocation and the investment vehicles through which the strategy is implemented ensures the portfolio has a suitable mix of return-seeking and liability hedging assets, consistent with the Trustee's policy. In addition, through the diversification funds' allocation, the Scheme accesses a very wide range of return-seeking assets, providing exposure to a range of different sources of risk and return. Implementing the Scheme's investment strategy in a manner consistent with the Trustee's policies ensures that the Scheme's DB Section portfolio in aggregate is consistent with the policies set out in the Statement of Investment Principles.

Realisation of investments

The Trustee agreed a liquidity policy for the DB Section in October 2018 and liquidity is assessed as part of regular reporting provided to the Trustee. The Scheme currently has two liquidity fund investments. The first is a liquidity fund within the LDI portfolio over which BlackRock have discretion to invest and disinvest as they see fit. The second sits outside of the LDI portfolio and is the main source of cash used for meeting Scheme cashflows, if these cannot be met from contributions paid by the Sponsor.

The balance held in this fund is monitored regularly. If it needs to be increased, WTW provides advice on the assets to be sold in order to raise the necessary funds.

Risk management

The Trustee has identified several risks involved in the management of the Scheme's assets which are taken into account when reviewing the investment arrangements.

Solvency and mismatching risk were considered through the analysis undertaken by WTW as part of the investment strategy review. This illustrated the expected progression of the growth in the assets relative to the liabilities as well as quantifying the downside risks under different strategies.

Manager risk is managed by appointing a passive manager to manage the equity and LDI investments, where the expectation is that the manager will deliver returns which are very close to those of an underlying market index or provide exposures that align with the Scheme's liabilities. In addition, the diversification fund allocation invested via the Towers Watson Partners Fund and Fulcrum DAR Fund provide, in aggregate, exposure to a very well diversified portfolio of third-party investment managers, which limits the risk of any one manager performing poorly.

Liquidity risk is managed by the Scheme's administrators assessing the Scheme's cashflow requirements as well as holding a proportion of the Scheme's assets in relatively liquid investments (i.e. the equities, LDI and liquidity funds managed by BlackRock). Implementing the new investment strategy did not change the Scheme's exposure to relatively liquid assets.

Currency risk is managed by hedging a proportion of the Scheme's exposure to non-Sterling currencies. Currency risk was reduced by implementing the new investment strategy.

Political risk is managed by having a well-diversified investment portfolio, and the change in investment strategy did not materially impact the diversification of the portfolio.

Sponsor risk is managed by assessing the interaction between the Scheme and the Institute's business, as measured by several factors, including the creditworthiness of the Institute and the size of the pension liability relative to the financial strength of the Institute. A formal assessment of the covenant was conducted in June 2021 alongside the deliberations relating to the 30 September 2021 actuarial valuation.

Investment performance monitoring

The Trustee receives a six-monthly monitoring report to 31 March and 30 September from Willis Towers Watson as well as receiving quarterly reports from the investment managers.

The BlackRock equity investments performed in line with expectations, delivering returns within an acceptable deviation of the underlying benchmark index. The LDI portfolio, also managed by BlackRock, helped to mitigate the impact of changes to interest rates and inflation expectations, as it is designed to do.

The UK property investments have performed reasonably well over the long-term, delivering returns in excess of the performance benchmark index over a 3- and 5-year time horizon.

The Partners Fund delivered returns in excess of the performance benchmark over the year to 30 September 2021, and remains ahead of benchmark over the longer term.

The Fulcrum DAR mandate underperformed its benchmark over the year to 30 September 2021 and over the longer term. As a result of this performance and the Trustee's view on the relative attractiveness of the Fulcrum DAR mandate relative to the Partners Fund (informed by Barnett Waddingham's independent review of the two mandates) it was agreed to reduce exposure to the Fulcrum DAR mandate as part of the de-risking discussed previously leaving the Partners Fund allocation unchanged.

ESG considerations

The Trustee has provided a copy of the Statement of Investment Principles to its investment managers (and does so on an annual basis).

Managers are asked to confirm whether they comply with the UK Stewardship code and, if they do not, are asked to explain their reasons for not doing so. As at 30 September 2021, all managers confirmed compliance with the code except for Schroders. Schroders is currently working with the FRC to draft their submission to the 2022 UK Stewardship Code.

The Trustee confirms with each manager that they manage the portfolio with a medium to long-term time horizon and utilise investment engagement in order to enhance portfolio value. The Trustee also monitors costs to ensure that managers are incentivised to invest with a long-term time horizon. In addition, the Trustee monitors the turnover of each mandate to ensure that this is consistent with the asset class and time horizon being targeted by each investment manager.

The Trustee reviewed and updated the DB Risk Register on 17 June 2021 as part of its annual review process.

Voting information is collected from each manager and this is summarised in the next section of this statement.

4. Turnover

The Trustee's investment consultant monitors the investment managers' portfolio turnover and confirmed that over the Scheme year portfolio turnover was in line with expectations and therefore there were no particular concerns highlighted around inappropriate costs being incurred.

Information on portfolio turnover as provided by the investment managers is given below:

Note: Turnover is defined as the lesser of the value of purchases or the value of sales divided by average annual market value

Mandate	Manager	Expected long-term level of portfolio turnover pa	Fund Activity*	Manager commentary
UK Equity	BlackRock	N/A	N/A	Turnover data not applicable for index equity funds. As they track indices, their turnover replicates index turnover unless funds are invested / disinvested.
World ex-UK Equity (GBP hedged)	BlackRock	N/A	N/A	
World ex-UK Equity (Unhedged)	BlackRock	N/A	N/A	
Emerging Markets	BlackRock	N/A	N/A	
DAR	Fulcrum	c.90%	103%	Turnover has been marginally higher than the long-term expectation due to heightened market volatility over the year.
Property Unit Trust	Hermes	0 – 15%	2%	Turnover was in line with expectations
UK Real Estate Fund (SREF)	Schroders	0 – 15%	8%	Turnover was in line with expectations
Partners Fund	TWIM	10%	10%	Turnover was in line with expectations
LDI	BlackRock	n/a	52%	Turnover only occurs when cash is committed or disinvested or when the hedge ratio is adjusted. The hedge ratio was increased, and cash was committed during the year.

*** % turnover over the trailing 12 month period as at 30 September 2021**

5. Voting and engagement

Defined Benefit Section

The Trustee delegates responsibility for voting and engagement in respect of the Scheme's underlying investments to the investment managers. Details of the activity undertaken by the managers is set out below.

The Trustee meets with the Scheme's investment managers periodically, to explore how the Scheme's assets are being managed.

The last meeting with BlackRock took place in June 2021. BlackRock's approach to sustainable investment and stewardship was one of the topics discussed at that meeting, in the context of the passive equity investments managed by BlackRock.

Voting

The below table sets out the voting activity of the Scheme's equity and multi-asset investment managers, on behalf of the Trustee, over the year:

Asset class	Number of resolutions eligible to vote on	Proportion eligible votes voted	Of resolutions voted:*		
			For	Against	Abstained
BlackRock UK Equity	15,314	99.0%	93.0%	6.0%	1.0%
BlackRock World ex-UK Equity (covering both currency hedged and unhedged mandates)	24,646	99.0%	92.0%	7.0%	0.0%
BlackRock Emerging Markets	22,336	100.0%	89.0%	10.0%	3.0%
Fulcrum DAR	8,318	97.0%	92.0%	6.0%	2.0%
TWIM Partners	5959	98.9%	85.4%	7.7%	6.9%

**Figures may not total 100% due to a variety of reasons, such as lack of management recommendation, scenarios where an agenda has been split voted, multiple ballots for the same meeting were voted differing ways, or a vote of 'Abstain' is also considered a vote against management.*

Voting statistics are out of total eligible votes and are sourced from the investment managers BlackRock, TWIM and Fulcrum.

The following table outlines a number of significant votes cast by the Scheme's investment managers on the Trustee's behalf. The commentary set out below is based on detail in the relevant manager's reports on the votes cast:

- BlackRock reported on the most significant votes cast within the funds managed on behalf of the Scheme over the year to 30 September 2021, including the rationale for the voting decision and the outcome of the vote. A number of these key votes are set out below. The votes shown were chosen taking account of the size of the allocations to the companies affected as a percentage of each pooled fund, whether the votes were against management resolutions and whether the votes were in respect of shareholder resolutions.

- Fulcrum reported on the most significant votes cast within the funds managed on behalf of the Scheme over the year to 30 September 2021, including the rationale for the voting decision (in some cases this was based on independent advice received from independent engagement advisor Glass Lewis) and the outcome of the vote. A number of these key votes are set out below.

- TWIM reported on the most significant votes cast within the funds managed on behalf of the Scheme over the year to 30 September 2021, including the rationale for the voting decision and the outcome of the vote. A number of these key votes are set out below.

Significant votes cast	Coverage in portfolio
Company: BP Plc **Meeting date: 12 May 2021** **Company summary**: BP Plc (BP) is an integrated oil and gas company, operating through the following segments: Upstream, Downstream and Rosneft. The company was founded in 1909 and is headquartered in London, the United Kingdom. **Resolution:** Approve Shareholder Resolution on Climate Change Targets **Company management recommendation:** Against **How the manager voted**: For **Rationale**: BlackRock voted for this shareholder resolution. While recognizing the company's efforts to date and direction of travel, supporting the resolution signals BlackRock's desire to see the company accelerate its efforts on climate risk management.	BlackRock UK Equity
Company: Chevron Corporation **Meeting date: 26 May 2021** **Company summary:** Chevron Corporation (Chevron) is a global integrated energy, chemicals, and petroleum company, operating through the upstream and downstream segments. **Shareholder Resolution**: multiple (6) Item 4: Reduce Scope 3 Emissions (Shareholder proposal) Item 5: Report on Impacts of Net Zero 2050 Scenario (Shareholder proposal) Item 6: Amend Certificate of Incorporation to Become a Public Benefit Corporation (Shareholder proposal) Item 7: Report on Lobbying Payments and Policy (Shareholder proposal) Item 8: Require Independent Board Chair (Shareholder proposal) Item 9: Reduce Ownership Threshold for Shareholders to Call Special Meeting (Shareholder proposal) **Company management recommendation:** against the shareholder proposals listed above (Items 4-9) **How the manager voted:** BlackRock voted for the shareholder proposal on scope 3 emissions targets (Item 4), and against all other shareholder proposals.	BlackRock UK Equity

Rationale: **Item 4:** BlackRock supported this shareholder proposal, while recognizing the company's efforts to date, because it is consistent with what they expect of large companies like Chevron and its peers. **Item 5**: BlackRock voted against this proposal as the company has already committed to fulfilling its ask and has demonstrated meaningful progress on climate action to date. **Item 6**: BlackRock voted against this proposal because they believe it is the domain of the Board and management to determine the appropriate corporate structure for the company. **Item 7:** Chevron meets BlackRock's expectations of companies regarding their activities and disclosures related to political spending and lobbying and has reflected BlackRock's feedback in its recently updated climate lobbying report. As a result, BlackRock voted against this shareholder proposal. **Item 8:** BlackRock voted against this proposal because Chevron already has a strong leadership structure. **Item 9:** BlackRock voted against this proposal as shareholders can call special meetings at a 15% ownership threshold.	
Company: The Procter & Gamble Company **Meeting date: 13 October 2020** **Company summary**: The Procter & Gamble Company (P&G) is one of the largest global branded consumer packaged goods companies. It operates in the following segments: Beauty; Grooming; Health Care; Fabric & Home Care; and Baby, Feminine & Family Care. **Shareholder resolution**: multiple (2) Item 5: Report on efforts to eliminate deforestation Item 6: Annual report on diversity **Company management recommendation:** Against (both items) **How the manager voted**: BlackRock voted for the shareholder proposal on deforestation (Item 5) and voted against the shareholder proposal requesting the publication of a report assessing the company's diversity and inclusion efforts (Items 6). **Rationale**: Item 5: The proposal requests a report assessing if and how P&G could increase the scale, pace, and rigor of its efforts to eliminate deforestation and the degradation of intact forests in its supply chains. The proposal places special attention on the company's use of palm oil and forest pulp. While BlackRock recognizes the company's efforts to date towards enhancing their sustainability and monitoring disclosure reports, they determined that there is room for P&G to improve the frequency and depth of disclosure. Item 6: In September 2020, P&G updated its workforce demographic disclosure including gender and ethnic diversity by level. This disclosure addresses the shareholder proposal's request and enhances the company's diversity, equity, and inclusion (DEI) efforts regarding talent and development initiatives. Currently P&G's workforce includes 25% multicultural employees and 40% female employees. The company has stated their aspiration of 50/50 representation of women at all levels, all functions, and all geographies in the company.	BlackRock World-ex UK Equity

Similarly, they recently declared their aspiration to achieve 40% representation of multicultural employees in the U.S. workforce. In addition to internal DEI efforts, for more than 40 years P&G's Supplier Diversity program has been increasing economic inclusion for women- and minority-owned businesses—including military veterans, people with disabilities, and LGBTQ owners. P&G is a founding member of the Executive Leadership Council's Game Changer initiative, focused on codifying best practices for developing African American Talent. More broadly, P&G has led constructive dialogue promoting racial equity and understanding, largely by releasing several films publicly since 2017 about racial bias and racial inequality. They also established the P&G "Take on Race" Fund, with an initial contribution of $5 million. In BlackRock's assessment, these longstanding, multi-pronged initiatives, along with robust disclosures, place P&G at the forefront of DEI efforts in the market. As a result, they determined that the requested report would be redundant and therefore did not support it.	
Company: Exxon Mobil Corporation **Meeting date: 26 May 2021** **Company summary**: Exxon Mobil Corporation is an American multinational oil and gas corporation and is engaged in the exploration, development and distribution of oil, gas and petroleum products. **Resolution: Multiple (13)** Item 1.1: Elect Director Gregory J. Goff Item 1.2: Elect Director Kaisa Hietala Item 1.3: Elect Director Alexander A. Karsner Item 1.4: Elect Director Anders Runevad Item 1.9: Elect Director Kenneth C. Frazier Item 1.12: Elect Director Darren W. Woods Item 4: Require Independent Board Chair (Shareholder proposal) Item 5: Reduce Ownership Threshold for Shareholders to Call Special Meeting (Shareholder proposal) Item 6: Issue Audited Report on Financial Impacts of IEA's Net Zero 2050 Scenario (Shareholder proposal) Item 7: Report on Costs and Benefits of Environmental-Related Expenditures (Shareholder proposal) Item 8: Report on Political Contributions (Shareholder proposal) Item 9: Report on Lobbying Payments and Policy (Shareholder proposal) Item 10: Report on Corporate Climate Lobbying Aligned with Paris Agreement (Shareholder proposal)	BlackRock World-ex UK Equity

Company management recommendation: Against (all items)

How the manager voted: BlackRock voted for three of the new directors nominated (Items 1.1-1.3) and for Frazier and Woods (Items 1.9 and 1.12), amongst other incumbent directors. BlackRock voted against the shareholder proposals on the Independent Chair (Item 4), Special Meeting (Item 5), Environmental-Related Expenditures and Political Contributions (Items 7 and 8). BlackRock voted for the shareholder proposals on the Financial Impacts of IEA's Net Zero 2050 Scenario (Item 6), Lobbying Payments and Policy and Lobbying Aligned with Paris (Items 9 and 10).

Rationale:

Item 1.1-1.4 and 1.9, 1.12: BlackRock continue to be concerned about Exxon's strategic direction and the anticipated impact on its long-term financial performance and competitiveness. In their view, the Board would benefit from the addition of diverse energy experience to augment existing skillsets. As a result, BlackRock supported three of the four directors nominated by Engine No. 1. BlackRock believe that they, together with Mr. Ubben, bring the fresh perspectives and relevant transformative energy experience to the Board that will help the company position itself competitively in addressing the risks and opportunities presented by the energy transition

Item 4: BlackRock voted against this proposal because they believe their vote in support of the directors nominated by Engine No. 1 will introduce the necessary balance of independent perspective in the boardroom. Also, BlackRock have observed that Mr. Frazier in the role of Lead Independent Director is taking a more prominent position in engaging with shareholders

Item 5: BlackRock voted against this proposal, as shareholders can call special meetings at a 15% ownership threshold or at a 10% ownership threshold if a court order showing good cause is obtained.

Item 6: BlackRock voted in favour of this proposal, despite the restrictiveness of the timeline, as they believe shareholders would benefit from greater insight into whether and how the IEA's Net Zero 2050 scenario would affect Exxon's financial position and long-term strategy.

Item 7: BlackRock voted against this proposal because, on their assessment, the company's existing reporting adequately explains the tangible health and environmental benefits of its current policies and practices.

Item 8: BlackRock voted against this proposal because, on their assessment, the company's existing reporting adequately explains the tangible health and environmental benefits of its current policies and practices.

Item 9: BlackRock supported this shareholder proposal because additional disclosure of the company's state and local level lobbying activities and expenditures, payments to trade associations and other tax-exempt organizations that conduct lobbying, and related oversight mechanisms would allow shareholders to better assess the company's management of these activities, as well as related risks and benefits.

Item 10: Given the reputational risk to the company of misalignment in public positions on key strategic policy issues, BlackRock supported this proposal because they believe such a report would help investors' understanding of Exxon's climate-related lobbying and participation in trade associations.

Company: Berkshire Hathaway, Inc. **Meeting date: 01 May 2021** **Company summary:** Berkshire Hathaway, Inc. (Berkshire Hathaway) engages in the provision of property and casualty insurance, reinsurance, utilities and energy, freight rail transportation, finance, manufacturing, and retailing services through its diverse public and private subsidiary businesses. Notably, Berkshire Hathaway controls 91% of public subsidiary Berkshire Hathaway Energy **Resolution: multiple (5)**: Item 1.1: Elect Director Warren E. Buffett (Chairman and CEO) Item 1.11: Elect Director Thomas S. Murphy (former Chairman of the Audit Committee) Item 1.13: Elect Director Walter Scott, Jr. (Chairman of the Governance Committee) Item 2: Report on Climate-Related Risks and Opportunities (Shareholder Proposal) Item 3: Publish Annually a Report Assessing Diversity and Inclusion Efforts (Shareholder Proposal) **Company management recommendation:** For Items 1.1, 1.11, and 1.13, and against the items 2 and 3 **How the manager voted**: For Items 1.1, 2 and 3, and against Items 1.11 and 1.13 **Rationale**: **Item 1.1:** BlackRock voted for the re-election of Chairman and CEO, Warren Buffett. While voting action is warranted against the company for both governance and climate disclosure shortfalls, exercising the vote against a sitting CEO is unwarranted at this time. **Item 1.11 & 1.13:** BlackRock voted against the re-election of the former Chairman of the Audit Committee, Thomas Murphy, and the Chairman of the Governance Committee, Walter Scott, due to concerns over shortfalls in the company's governance practices and climate action planning and disclosure. **Item 2**: BlackRock supported this proposal because the company does not currently meet expectations for disclosing a plan for how its business model will be compatible with a low-carbon economy. **Item 3**: BlackRock supported this proposal because the company does not meet expectations for disclosure of material diversity, equity, and inclusion policies and/or risks.	BlackRock World-ex UK Equity
Company: Vale, S.A. **Meeting date: 30 April 2021** **Company summary:** Vale, S.A. (Vale) – a Brazilian mining company – is the world's largest producer of iron ore, pellets, and nickel. Vale is also the largest producer of manganese in Brazil, holding approximately 70% of the national market. In addition to Mining, Vale operates three other business divisions: Logistics, Steel Making, and Energy.	BlackRock iShares Emerging Markets Equity

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Management resolution: multiple (5)
Item 1: Individual elections of members of the Board of Directors recommended by the Nominating Committee and Board of Directors (featuring contested elections by minority shareholders)
Item 2: Election of the Chairman and Vice-Chairman of the Board of Directors
Item 3: Election of members of the Fiscal Council
Item 4: Establishment of the overall annual compensation of the Company’s directors and members of the Fiscal Council for the year 2021
Item 5: Approve corporate transactions to simplify iron ore assets and Vale’s corporate structure
Company management recommendation: For (all items)
How the manager voted: BlackRock voted for all items proposed by management. In the case of the individual director elections, BlackRock voted for the candidates recommended by the Nominating Committee and Board of Directors.
Rationale: Vale’s work to regain stakeholder trust – and the trust of impacted communities in Minas Gerais – is far from concluded. BlackRock voted FOR multiple items on “Management’s Proposal for the Annual and Special Shareholders’ Meeting” held on April 30, 2021 (items as above) because Vale has enacted necessary changes at the board level – including the creation of a Nominating Committee – that have led to significant improvements in Vale’s board composition, diversity, and independence. These changes have, in turn, contributed to board effectiveness and the implementation of stronger corporate governance practices and risk management controls. Vale’s commitment to improve its corporate governance practices, advance sustainability, and transform its culture – starting at the top– is a step in the right direction. Given ongoing safety concerns, BlackRock will continue to engage with Vale on board oversight of operational quality and risk management and will monitor its progress on environmental and social reparation actions.
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<u>Company: Vedanta Limited</u>
<u>Meeting date: 10 August 2021</u>
Company summary: Vedanta Limited (Vedanta) is India’s largest natural resources company, employing more than 70,000 people directly and indirectly, with its major products being zinc-lead-silver, iron ore, steel, copper, aluminium, power, oil, and gas The company, listed in India and New York, is a 65%-owned subsidiary of Vedanta Resources Limited (VRL), which de-listed from the London Stock Exchange in 2018. 100% of VRL’s share capital and voting rights are held by Volcan Investments Limited (Volcan) and a Volcan wholly-owned subsidiary. Volcan is beneficially owned and controlled by the Anil Agarwal Discretionary Trust, associated with the Chairman of Vedanta.
Management resolution: multiple (2)
Item 4: To re-appoint the Chairman of the Board, as a Director, as he retires by rotation, is eligible, and offers himself for re-appointment
Item 8: To consider and approve the re-appointment of the Non-Executive Independent Director for the second and final term of three (3) years effective from August 11, 2021 to August 10, 2024
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<td>BlackRock iShares Emerging Markets Equity</td>
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Company management recommendation: For (both items) **How the manager voted**: BlackRock voted against both items **Rationale**: BlackRock voted against both re-appointments given the Directors' ultimate accountability regarding their governance concerns relating to board oversight. In particular, BlackRock is concerned about a loan of approximately U.S. $1billionfrom Vedanta's fully owned subsidiary to the unlisted holding company, VRL. BlackRock is also concerned about a series of related party transactions enabled by the company's controlling ownership structure, that in BlackRock's view, are not aligned with minority shareholders' long-term economic interests.	
Company: Amazon **Meeting date: 26 May 2021** **Management resolution:** Shareholder Proposal that the board report on the amount of Plastics released due to Plastic Packaging. **How the manager voted**: For **Rationale**: Though Glass Lewis understands the larger environmental risks stemming from plastic pollution, in this case they believed the company had taken significant actions and provided disclosures regards minimising its carbon footprint. As such, the proxy advisor were not convinced that shareholders would necessarily benefit from the Company's adoption of this proposal. Given the type of proposal, and following discussions, Fulcrum decided to vote against their advice and as a result voted FOR the proposal.	Fulcrum DAR
Company: Chr. Hansen Holding A/S **Meeting date: 25 November 2020** **Management resolution:** A shareholder proposal from Akademiker Pension asking that going forward, from the 2020/21 financial year, the company must apply the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) as the framework for climate disclosures in the company's annual report. **How the manager voted**: For **Rationale**: Voted as per proxy adviser. In addition, as signatories to TCFD, Fulcrum are strong supporters of climate disclosure.	Fulcrum DAR
Company: Canadian Pacific Railway Limited **Meeting date: 21 April 2021** **Management resolution:** Shareholder Proposal that the Company present a climate action plan and annually seek advisory shareholder approval of the plan **How the manager voted**: For **Rationale**: This proposal had two separate requests: Glass Lewis were supportive of the first (the Company producing TCFD-aligned reporting) though they had significant concerns regarding the second clause (which would set up an annual advisory vote on the Company's GHG reduction plan). As a result they proposed Fulcrum vote AGAINST the management's favourable recommendation of the resolution. However, following discussions, Fulcrum went against their advice and voted FOR the proposal as this is a climate-related proposal of which they are supporters.	Fulcrum DAR

Company: Visa **Meeting date: 25 January 2021** **Management resolution:** Provide right to act by written consent **How the manager voted**: For **Rationale**: Enhances the rights of the company's shareholders by affording them an additional means of acting in between annual meetings	TWIM Partners
Company: HCA Healthcare, Inc. **Meeting date: 28 April 2021** **Management resolution:** Assess feasibility of increasing the impact of the company's performance on quality metrics for senior executive compensation **How the manager voted**: For **Rationale**: ESG best practices	TWIM Partners
Company: Prosus NA **Meeting date: 24 August 2021** **Management resolution:** To approve the directors remuneration report **How the manager voted**: Against **Rationale**: TWIM had previously engaged with the company on their remuneration policy (as reported on in previous submissions). TWIM voted against the proposal as it was noted that their inputs from these prior engagements were not considered.	TWIM Partners
Company: Facebook **Meeting date: 24 May 2021** **Management resolution:** Report on platform misuse **How the manager voted**: For **Rationale**: Platform misuse poses perhaps the key risk to the company. Per the saying “what gets measured, gets managed”, additional management attention on this topic is most welcome. To the extent that the Community Standards report is already measuring much of this, then that simply lowers the incremental cost of this report	TWIM Partners

Engagement

The BlackRock Investment Stewardship team engages with public companies on behalf of all portfolio strategies at BlackRock. When engaging with a company BlackRock are focused on the long-term governance and business operational matters (including environmental and social considerations) that they believe are consistent with sustained financial performance. Each year BlackRock prioritises its engagement work around themes that they believe will encourage sound governance practices. In 2021, the key focus for BlackRock was on board quality and effectiveness, climate and sustainability, corporate strategy, incentives aligned with value creation and company impacts on people.

Fulcrum is in general a top-down, global macro investor alongside a significant systematic business (in which the Scheme invests through the DAR mandate), investing across all asset classes. As single stock equities play a role in the DAR mandate, Fulcrum carefully monitors and engages with the issuers it invests in to guarantee suitable investment practices. This includes daily following of company announcements; meetings with executive management; or review of external research and company results. Shareholder engagement will usually be limited to the responsible exercise of voting rights. This is due primarily to Fulcrum's stance as a top-down macro investor and the often-insignificant holding of the issuer's outstanding shares or size of holding as it relates to the overall fund.

As a policy, Towers Watson Investment Management monitors the sustainable investment credentials of managers and reviews their policies and actions. Underlying investment managers are expected to undertake ESG integration and stewardship activities to the extent that it is practical. TWIM engages in a two-way dialogue with managers that can make improvements. As part of the ongoing research, areas of concern are highlighted to the manager alongside the rationale for concern. TWIM encourages the manager to resolve these issues with 12 months. Should there be little or no change, TWIM will attempt further engagement to understand the lack of progress and may take steps to review their rating for the strategy.

Defined Contribution Section

As all investments are held within pooled funds which are made available via a bundled platform with Aviva, the key area of activity during the Scheme year was to consider how to monitor the investment managers' (Aviva Investors, BlackRock and HSBC) performance in these areas.

The Trustee does not own the legal entitlement to the underlying portfolio of securities. The Trustee's rights pertain only to owning units in the pool.

Accordingly, the Trustee's policy is that day-to-day decisions relating to the investment of DC Section's assets is left to the discretion of their investment managers. This includes consideration of all financially materially factors, including ESG-related issues where relevant.

When reviewing existing managers, the Trustee, together with WTW, looks to take account of the approach taken by managers with respect to sustainable investing including voting policies and engagement where relevant. The Trustee's primary focus in this regard is on Aviva Investors since over 99% of the DC Section's assets, including those in the current and legacy default investment strategies, are invested with Aviva Investors. Furthermore, Aviva Investors take responsibility for the governance of the portfolios underlying its funds, including those where the investment management is outsourced to BlackRock as is the case for many of the DC Section's funds. Note that whilst BlackRock were appointed by Aviva Investors to determine the asset allocation in Aviva's My Future Lifetime Investment programme, the DC Section's default investment strategy, the voting rights are retained by Aviva Investors.

The Trustee will be considering how to further enhance its engagement with the investment managers in 2021/22.

Further information on the voting and engagement activities of the managers is provided in the summary table below.

Please note that funds marked with a * are the underlying funds which make up the equity portion of the My Future strategies. No voting information has been provided for other funds listed in the SIP as they do not contain any equity components. For each fund two of the most significant votes are shown. The two votes have been chosen based on the votes related to companies which the relevant fund has the largest holdings in.

Fund	Votes cast	Use of a proxy voter?	Significant votes		
			Company and how manager voted	**Approximate size of fund's holding as at the date of the vote (as % of portfolio)**	**Criteria by which manager has assessed this vote to be "most significant"?**
Av BlackRock World ex-UK Equity Index Fund	24,106 (92% of eligible votes) On the resolutions voted on: • 32% of votes were against management • 2% were abstained	Use of proxy advisory services ISS and IVIS. For a number of years, ISS has been providing voting recommendations based on Aviva Investor's own policy in order to ensure the most efficient approach to voting thousands of meetings a year. Aviva Investors can override these recommendations to consider other factors including additional context provided in the ISS standard research and other internal and external research considerations.	***Visa Inc***– voted against resolution to Elect Director Alfred F. Kelly Jr.	0.66%	This vote was selected given the company is a relatively large part of the fund and that the issues that we flagged (together with broader ESG considerations) deemed sufficiently material.
			.***Samsung Electronics Co. Ltd***– voted against 3 resolutions 2.1.1 Elect Park Byung-gook; 2.1.2 Elect Kim Jeong; 3 Elect Kim Sun-Uk as Outside Directors.	0.63%	This vote was selected given the materiality of the governance issues at the company and as it is part of our core coverage.
Av BlackRock 30:70 Global equity (Currency	32,419 (94% of eligible votes) On the resolutions voted on:	Use of proxy advisory services ISS and IVIS. For a number of years, ISS has been providing voting recommendations based on Aviva Investor's own policy in order to ensure the most efficient approach	***AstraZeneca plc***– voted against resolution to Approve Remuneration Policy.	1.27%	This vote was selected given the company is a relatively large part of the fund and that the issue that Aviva flagged (and which the company ultimately addressed) deemed sufficiently material.

Hedged) Index	• 24% of votes were against management • 2% were abstained	to voting thousands of meetings a year. Aviva Investors can override these recommendations to consider other factors including additional context provided in the ISS standard research and other internal and external research considerations.	***Barclays plc*** – voted against shareholder resolution to Approve Market Forces Requisitioned Resolution.	0.38%	This vote was selected given the issue is both material to the investment case and high profile, having attracted significant public and media interest.
Av BlackRock 40:60 Global Equity Index	34,982 (94% of eligible votes) On the resolutions voted on: • 24% of votes were against management • 2% were abstained	Use of proxy advisory services ISS and IVIS. For a number of years, ISS has been providing voting recommendations based on Aviva Investor's own policy in order to ensure the most efficient approach to voting thousands of meetings a year. Aviva Investors can override these recommendations to consider other factors including additional context provided in the ISS standard research and other internal and external research considerations.	***Royal Dutch Shell plc***– voted against the resolution to Approve the Shell Energy Transition Strategy.	0.42%	This vote was selected as the holding represents a relatively large part of the fund and given the materiality of climate change / other environmental issues to the investment case.
			Samsung Electronics Co. Ltd– voted against 3 resolutions 2.1.1 Elect Park Byung-gook; 2.1.2 Elect Kim Jeong; 3 Elect Kim Sun-Uk as Outside Directors.	0.42%	This vote was selected given the materiality of the governance issues at the company and as it is part of our core coverage.
Aviva Investors Stewardship UK Equity Fund	822 (>99% of eligible votes) On the resolutions voted on: • 2% of votes were against management • 1% were abstained	Use of proxy advisory services ISS and IVIS. For a number of years, ISS has been providing voting recommendations based on Aviva Investor's own policy in order to ensure the most efficient approach to voting thousands of meetings a year. Aviva Investors can override these recommendations to consider other factors including additional context provided in the ISS standard	***Unilever plc***– voted for the resolution to Approve the Unification of the Unilever Group under a Single Parent Company.	6.97%	This vote was selected given the commercial implications of the revised restructuring and as the company is a relatively large shareholding in the fund.
			AstraZeneca plc – voted against the resolution to Approve Remuneration Policy.	6.31%	This vote was selected given the company is a relatively large part of the fund and that the issue that Aviva flagged (and which the company ultimately addressed) deemed sufficiently material.

		research and other internal and external research considerations.			
BlackRock Emerging Markets Fund	22,336 (100% of eligible votes) On the resolutions voted on: • 10% of votes were against management • 3% were abstained	BlackRock does not follow any single proxy research firm's voting recommendations, though they subscribe to two research firms. Their voting and engagement analysis is determined by several key inputs including a company's own disclosures, and record of past engagements.	***Yanzhou Coal Mining Company Limited***– voted against the resolution to Approve Equity Interests and Asset Transfer Agreement.	Not provided by manager	Not provided by manager
			Top Glove Corporation Bhd – voted for the resolution to Approve Directors' Benefits (Excluding Directors' Fees).	Not provided by manager	Not provided by manager
Av HSBC Islamic Global Equity Index	1,548 (93% of eligible votes) On the resolutions voted on: • 10% of votes were against management • 0% were abstained	Aviva uses the voting research and platform provider Institutional Shareholder Services (ISS) to assist with the global application of their own bespoke voting guidelines. ISS reviews company meeting resolutions and provides recommendations highlighting resolutions which contravene our guidelines.	***Alphabet Inc.***– voted for the resolution on Takedown Requests.	7.16%	This vote was selected as it was one of a range of issues that are representative of Aviva's voting guidelines.
			Facebook Inc. – voted for the shareholder resolution to Approve Recapitalisation Plan for all Stock to have One Vote per Share.	4.15%	This vote was selected as it was one of a range of issues that are representative of Aviva's voting guidelines.

Aviva Investors UK Equity Index Fund*	7429 (>99% of eligible votes) On the resolutions voted on: • 6% of votes were against management • 1% were abstained	Use of proxy advisory services ISS and IVIS. For a number of years, ISS has been providing voting recommendations based on Aviva Investor's own policy in order to ensure the most efficient approach to voting thousands of meetings a year. Aviva Investors can override these recommendations to consider other factors including additional context provided in the ISS standard research and other internal and external research considerations.	***Royal Dutch Shell plc*** – voted against the resolution to Approve the Shell Energy Transition Strategy.	5.23%	This vote was selected as the holding represents a relatively large part of the fund and given the materiality of climate change / other environmental issues to the investment case.
			AstraZeneca plc – voted against the resolution to Approve Remuneration Policy.	4.84%	This vote was selected given the Company is a relatively large part of the fund and that the issue that Aviva flagged (and which the Company ultimately addressed) deemed sufficiently material.
Aviva Investors Developed Asia Pacific ex Japan Equity Index*	973 (100% of eligible votes) On the resolutions voted on: • 32% of votes were against management	Use of proxy advisory services ISS and IVIS. For a number of years, ISS has been providing voting recommendations based on Aviva Investor's own policy in order to ensure the most efficient approach to voting thousands of meetings a year. Aviva Investors can override these recommendations to consider other factors including additional	***BHP Group Ltd*** – voted for the shareholder resolution to Approve Suspension of Memberships of Industry Associations where COVID-19 Related Advocacy is Inconsistent with Paris Agreement Goals.	4.93%	This vote was selected given the materiality of the shareholder resolution and potential impact climate change will have on the business

	• 1% were abstained	context provided in the ISS standard research and other internal and external research considerations.	***BHP Group Ltd*** – voted to abstain on the shareholder resolution to Adopt Interim Cultural Heritage Protection Measures.	4.93%	This vote was selected given the nature of the shareholder resolution and potential reputational impact on the business if not properly addressed.
Av BlackRock UK Equity Index	10,935 (>99% of eligible votes) On the resolutions voted on: • 7% of votes were against management • 1% were abstained	Use of proxy advisory services ISS and IVIS. For a number of years, ISS has been providing voting recommendations based on Aviva Investor's own policy in order to ensure the most efficient approach to voting thousands of meetings a year. Aviva Investors can override these recommendations to consider other factors including additional context provided in the ISS standard research and other internal and external research considerations.	***Royal Dutch Shell plc*** – voted against resolution to Approve the Shell Energy Transition Strategy.	4.54%	This vote was selected as the holding represents a relatively large part of the fund and given the materiality of climate change / other environmental issues to the investment case.
			AstraZeneca plc – voted against the resolution to Approve Remuneration Policy.	4.23%	This vote was selected given the Company is a relatively large part of the fund and that the issue that Aviva flagged (and which the Company ultimately addressed) deemed sufficiently material.
Aviva Investors Developed European ex UK Equity Index*	8,825 (97% of eligible votes) On the resolutions voted on:	Use of proxy advisory services ISS and IVIS. For a number of years, ISS has been providing voting recommendations based on Aviva Investor's own policy in order to ensure the most efficient approach to voting thousands of meetings a year. Aviva Investors can override	***Infineon Technologies AG*** – voted against the resolution to Approve Discharge of Supervisory Board Member Wolfgang Ede.	0.75%	This vote was selected given the company is a relatively large part of the fund and that the issues that we flagged (together with broader ESG considerations) deemed sufficiently material.

	• 24% of votes were against management • 6% were abstained	these recommendations to consider other factors including additional context provided in the ISS standard research and other internal and external research considerations.	***VINCI SA*** – voted for resolution to Approve Company's Environmental Transition Plan.	0.62%	This vote was selected as it is the first say-on-climate on the French market and addresses a key issue of climate disclosure.
Aviva Investors North American Equity Index*	7,363 (>99% of eligible votes) On the resolutions voted on: • 45% of votes were against management • <1% were abstained	Use of proxy advisory services ISS and IVIS. For a number of years, ISS has been providing voting recommendations based on Aviva Investor's own policy in order to ensure the most efficient approach to voting thousands of meetings a year. Aviva Investors can override these recommendations to consider other factors including additional context provided in the ISS standard research and other internal and external research considerations.	***Visa Inc*** – voted against resolution to Elect Director Alfred F. Kelly. Jr.	1.03%	This vote was selected given the Company is a relatively large part of the fund and that the issues that we flagged (together with broader ESG considerations) deemed sufficiently material.
			Exxon Mobil Corporation – voted for 4 shareholder resolutions 1.1. Elect Director Gregory J. Goff, 1.2. Elect Director Kaisa Hietala, 1.3. Elect Director Alexander A. Karsner and 1.4. Elect Director Anders Runevad	0.69%	This vote was selected given the firm's future performance and its impact on climate change / the environment are so dependent on how quickly it can transition to cleaner energy.
Aviva Investors Japanese Equity Index*	5,225 (100% of eligible votes) On the resolutions voted on:	Use of proxy advisory services ISS and IVIS. For a number of years, ISS has been providing voting recommendations based on Aviva Investor's own policy in order to ensure the most efficient approach to voting thousands of meetings a	***Mitsubishi Electric Corporation*** – voted against resolution to Elect Director Mitoji Yabunaka.	0.71%	This vote was selected given the Company is a relatively large part of the fund and that the issue that we flagged deemed sufficiently material.

	• 21% of votes were against management • <1% were abstained	year. Aviva Investors can override these recommendations to consider other factors including additional context provided in the ISS standard research and other internal and external research considerations.	***Sumitomo Corporation*** – voted for shareholder resolution to Amend Articles to Disclose Plan Outlining Company's Business Strategy to Align Investments with Goals of Paris Agreement.	0.37%	This vote was selected given the materiality of the shareholder resolution and potential impact climate change will have on the business
BlackRock World ESG Insights Equity*	2,306 (100% of eligible votes) On the resolutions voted on: • 10% of votes were against management • <1% were abstained	BlackRock does not follow any single proxy research firm's voting recommendations, though they subscribe to two research firms. Their voting and engagement analysis is determined by several key inputs including a company's own disclosures, and record of past engagements.	Not provided by manager	Not provided by manager	Not provided by manager
			Not provided by manager	Not provided by manager	Not provided by manager