

# **PGIM UK Retirement Savings Plan Defined Contribution Section (the “Plan”) Annual Implementation Statement 2021 (the “Statement”)**

## **Introduction**

This statement sets out how, and the extent to which, the Statement of Investment Principles (‘SIP’) produced by the Trustees’ (dated September 2020), has been followed during the year running from 6 April 2020 to 5 April 2021 (the “Plan Year”). This statement has been produced in accordance with the Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018 (as amended) and the guidance published by the Pensions Regulator.

The Scheme has both a Defined Benefit (“DB”) section and a Defined Contribution (“DC”) section. The table later in the document sets out how, and the extent to which, the policies in the DC Section of the SIP have been followed.

## **Investment Objectives of the Plan**

The Trustees’ believe that it is important to recognise that members of the Plan have differing investment needs, which may change during the course of members’ working lives and must be provided for. The following encapsulates the Trustees’ objectives, as outlined in the SIP:

- To ensure there is a sufficient number of appropriate investment options available to allow the member to plan for retirement.
- To maximise the value of members’ assets at retirement at an acceptable level of risk.
- To maintain the purchasing power of members’ savings.
- To provide some protection for members’ accumulated assets in the years approaching retirement against sudden volatility in the capital value and fluctuations in the cost of providing benefits.

The Trustees’ aim to meet these objectives by the following:

- Offering members four ‘Lifestyle’ approaches to investment strategy (one of which is also the Default Investment Option) and ensuring that the other investment options also allow members to plan for retirement.
- Making available a range of pooled investment funds which serve to meet the varying investment needs and risk tolerances of Plan members.
- Providing general guidance as to the purpose of each investment option.
- Encouraging members to seek financial advice from a FCA regulated financial adviser in determining the most suitable option.
  
- The Trustees’ will regularly review the suitability of the options provided and from time to time will change manager or introduce additional investment portfolios as appropriate.

### **Review of the SIP**

During the year, the Trustees' reviewed the Plan's SIP. A revised SIP was agreed in September 2020 in order to reflect new requirements under The Occupational Pension Scheme (Investment and Disclosure) (Amendment) Regulations 2019 relating to the following:

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

No further changes were made to the SIP over this period.

### **Investment Strategy Review**

The Default Investment Option is reviewed at least triennially as part of the Trustees' investment strategy review. The last default review was undertaken in late 2019 along with a wider review of the self-select fund range offering. As a result of this review, the Trustees' decided to rename the 'Global Equity lifestyle – targeting annuity purchase' to the 'Legacy Global Equity lifestyle – targeting annuity purchase' to make it clear this was a previous investment option. This change was communicated to members invested in this investment option. No other changes were made to the Plan's investment options and the Trustees' agreed that the current Default Investment Option remained suitable.

### **Assessment of how the policies in the SIP have been followed for the year to 5 April 2021**

The information provided in the following table highlights the work undertaken by the Trustees' during the year, and longer term where relevant, and sets out how this work followed the Trustees' policies in the SIP, relating to the DC Section of the Plan and the default investment arrangement.

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	<b>Requirement</b>	<b>Policy</b>	<b>In the year to 5 April 2021</b>
1	Ensuring compliance with the legal requirements about choosing investments	<p><i>SIP Section 1</i></p> <p><i>The Trustees' consider the investment objectives and policies when choosing investments for the DC Section of the Scheme. The Trustees' receive written advice from their Investment Consultant on any investments prior to them being implemented. The advice received and arrangements implemented are, in the Trustees' opinion, consistent with the requirements of Section 36 of the Pensions Act 1995 (as amended).</i></p>	<p>No new investments were implemented over the period.</p> <p>The Trustees' renamed the 'Global Equity lifestyle – targeting annuity purchase' to the 'Legacy Global Equity lifestyle – targeting annuity purchase'. This lifestyle strategy is a legacy investment option as three new lifestyle strategies were introduced to the Plan's fund range in 2016, including the current default investment option namely the 'Diversified Lifestyle – targeting drawdown'.</p>
2	Kinds of investments to be held	<p><i>SIP Section 4-5</i></p> <p><i>A range of asset classes are included within the default investment option (within the blended funds used), including: developed market equities, emerging market equities, money market investments, diversified growth funds and pre-retirement funds. It is the Trustee's policy to utilise both active and passive management within the default investment option, depending on the asset class.</i></p>	<p>The default investment option was subject to its formal triennial review during 2019. Although this review was not undertaken during this Plan-year, it represents an important exercise for the Trustees' that covers the majority of the Plan's investments.</p> <p>No funds were added or removed from the Plan's investment options through the Plan year to April 2021.</p> <p>The next formal triennial review will commence during 2022 and represents an important exercise for the Trustees' that covers the majority of the investment policies the Trustees' have in place.</p>
3	The balance between different kinds of investments	<p><i>SIP Sections 4-5</i></p> <p><i>Members can combine the investment funds in any proportion in order to achieve the desired level of return and risk in line with their own attitude towards, and tolerance of risk.</i></p>	<p>The strategic asset allocation of the default investment option is reviewed on a triennial basis. The date of the last review was 2019. This confirmed that the strategic asset allocation was appropriate to meet the stated aims and objectives of the default. A review of self-select options for also formed part of the triennial investment review - no changes were made to the self-select fund range.</p>

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		<i>Within the default option, the strategic asset allocation is set to achieve the expected return required to meet the objective of the default option.</i>	The Trustees' receive a quarterly investment performance report that monitors the risk and return of options within the Plan.
4	Risks, including the ways in which risks are to be measured and managed	<i>SIP Section 4.2 The Trustees' have considered risk from a number of perspectives in relation to the DC Section, including the default option, all of which the Trustees' believe are financially material.</i>	The Trustees' have considered risk for the DC Section of the Plan from a number of perspectives. The list provided in this section is not exhaustive but covers the main risks that the Trustees' considers and how these are managed and measured. The Plan maintains a risk register of the key risks, including the market risks, investment manager risks, and ESG risks. This rates the impact and likelihood of the risks and summarise existing mitigations and additional actions.
5	Expected return on investments	<i>SIP Section 4 The funds available are expected to provide an investment return commensurate with the level of risk being taken.  In designing the default, the Trustees' have explicitly considered the trade-off between risk and expected returns. Generate returns in excess of inflation during the growth phase and de-risk towards the retirement date to match</i>	<p>The investment performance report is reviewed by the Trustees' on a quarterly basis. The reports include information on how each manager performed against their mandate – this includes the risk and return characteristics of the default and additional investment fund choices and considers these against stated aims and objectives.</p> <p>Based on the review conducted by the Trustees' over the period the Trustees' are satisfied that the managers are meeting their objectives over the period considered.</p> <p>No action was taken by the Trustees' over the Scheme year in respect of any managers failing to meet their investment objectives.</p>
6	Realisation of investments	<i>SIP Section 4.2 The Trustees' requires that 90% of all investments should be realisable at short notice. All funds are daily-dealt pooled investment arrangements. These pooled investment arrangements are themselves regulated and underlying investments are all mainly in regulated markets, and</i>	<p>The Trustees' access daily dealt and daily priced pooled funds held with a range of Investment Managers.</p> <p>The Trustees' receive an administration report on a quarterly basis to confirm and ensure that core financial transactions are processed within SLAs and regulatory timelines. The administration report is reviewed at every meeting and confirms the performance of all SLA's in particular those related to the realisation of investments and investment of regular contributions. These have consistently met the Trustees target except for</p>

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		<p><i>therefore are believed to be readily redeemable based on member demand.</i></p> <p><i>The Trustees' considers the liquidity of the investment in the context of the likely needs of members.</i></p>	<p>one occasion in November 2020 when a payment out took longer than 5 days to process.</p>
<p>7</p>	<p>Financially material considerations over the appropriate time horizon of the investments, including how those considerations are taken into account in the selection, retention and realisation of investments</p>	<p><i>SIP Sections 2, 4</i></p> <p><i>The Trustees' considers financially material considerations in the selection, retention and realisation of investments. Within the funds consideration of such factors, including environmental, social and governance factors, is delegated to the investment manager.</i></p> <p><i>Investment managers are expected to evaluate these factors, including climate change considerations, and exercise voting rights and stewardship obligations attached to the investments in line with their own corporate governance policies and current best practice.</i></p>	<p>The Trustees' review the investment performance report at each Trustee meeting – this includes ratings (both general and specific ESG) from the investment advisers. All of the managers remained highly rated during the year.</p> <p>The investment performance report includes how investment managers are delivering against their specific mandates.</p> <p>Section 2 of the Plan's SIP includes the Trustees' policy on Environmental, Social and Governance ('ESG') factors, stewardship and Climate Change. This policy sets out the Trustees' beliefs on ESG and climate change and the processes followed by the Trustees' in relation to voting rights and stewardship.</p> <p>. The Plan's voting rights are exercised by its investment managers in accordance with their own corporate governance policies.</p> <p>The Trustees' expect the Plan's managers to take into account current best practice, including the UK Corporate Governance Code and the UK Stewardship Code, of which the Trustees' is supportive. Equity managers who are registered in the UK are expected to report on their adherence to the UK Stewardship Code on an annual basis.</p> <p>The Trustees' consider the investment consultant's assessment of how each investment manager embeds ESG into its investment process and how the manager's responsible investment philosophy aligns with the Trustee's responsible investment policy. This includes the investment managers' policy on voting and engagement. The Trustees' will use this</p>

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			assessment in decisions around selection, retention and realisation of manager appointments.
8	The extent (if at all) to which non-financial matters are taken into account in the selection, retention and realisation of investments	<p><i>SIP Section 2</i></p> <p><i>Non-financial matters, such as member views, are not taken into consideration.</i></p>	The Trustees' did not explicitly seek member views regarding any investments or arrangements over the period covered by this statement. However, member views are reflected through consideration of member queries received, discussed at Trustee meetings.
9	The exercise of the rights (including voting rights) attaching to the investments and undertaking engagement activities in respect of the investments (including the methods by which, and the circumstances under which, trustee would monitor and engage with relevant persons about relevant matters)	<p><i>SIP Section 2</i></p> <p><i>Investment managers are expected to evaluate these factors, including climate change considerations, and exercise voting rights and stewardship obligations attached to the investments in line with their own corporate governance policies and current best practice.</i></p>	<p>The Trustees' have delegated their voting rights to the appointed investment managers.</p> <p>Investment managers are expected to provide voting summary reporting on a regular basis, at least annually.</p> <p>Once appointed, the Trustees' give appointed investment managers, full discretion in evaluating ESG factors, including climate change considerations, and exercising voting rights and stewardship obligations attached to the investments, in accordance with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code.</p> <p>The voting records of the investment managers are summarised in Appendix A.</p>
10	Undertaking engagement activities in respect	<i>SIP Section 3</i>	See Appendix A for further details on the engagement and voting activity of the investment managers over the year to 31 December 2020.

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	<p>of the investments (including the methods by which, and the circumstances under which, Trustees' would monitor and engage with relevant persons about relevant matters)</p>	<p><i>Investment managers are expected to evaluate these factors, including climate change considerations, and exercise voting rights and stewardship obligations attached to the investments in line with their own corporate governance policies and current best practice.</i></p> <p><i>Outside of those exercised by investment managers on behalf of the Trustees', no other engagement activities are undertaken.</i></p>	
<p>11</p>	<p>How the arrangement incentivises the asset manager to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity and to engage with issuers of debt or equity in order to improve their performance in the medium to long-term.</p>	<p><i>SIP Section 3</i></p> <p><i>The Trustee's focus is on longer-term performance but shorter-term performance is monitored to ensure any concerns can be identified in a timely manner. The Trustees' reviews both absolute and relative performance of the Investment Managers products (or funds) on a quarterly basis, including assessments of both shorter and longer time horizons.</i></p> <p><i>Managers are aware that their continued appointment is based on their success in delivering the mandate for which they have been appointed to manage. If the Trustees' are dissatisfied, then they will look to replace the manager.</i></p>	<p>Over the year, no mandates were terminated due to performance concerns or as a result of changes in underlying targets. The Trustees' monitor the performance of the default strategy, additional defaults arrangements and self-select ranges at each Trustee meeting.</p> <p>The current range of investment managers are aware that their continued appointment is dependent on them meeting these performance targets.</p>

12	How the method (and time horizon) of the evaluation of the asset manager's performance and the remuneration for asset management services are in line with the trustee's policies.	<p><i>SIP Section 3</i></p> <p><i>The Trustees' is a long-term investor, all funds are open-ended and therefore there is no set duration for manager appointments. The Trustees' is responsible for the selection, appointment and removal of investment managers. The Trustees' may also choose to remove a fund from the fund range, if no longer considered appropriate. The fund range is formally reviewed on at least a triennial basis.</i></p>	<p>The remuneration for investment managers used by the Plan is based on assets under management; the levels of these fees are reviewed annually as part of the annual value for money assessment to ensure they continue to represent value for members. If performance is not satisfactory, the Trustees' will ask the fund manager to provide additional rationale, and if not satisfied with this, may request further action be taken, including a review of fees.</p> <p>The Trustees' receive investment manager performance reports on a quarterly basis, which present performance information over three months, one year, three years, five years and since inception. The Trustees' review the absolute performance, relative performance against a suitable benchmark, and against the underlying manager's stated target performance (over the relevant time period) on a net of fees basis. Whilst the Trustee's focus is on long-term performance, it also takes shorter-term performance into account.</p>
13	How the trustee monitor portfolio turnover costs incurred by the asset manager, and how they define and monitor targeted portfolio turnover or turnover range.	<p><i>SIP Section 3.3</i></p> <p><i>The Trustees' monitor portfolio turnover costs, which are incorporated in the annual costs and charges, on an annual basis as part of its annual value for members' assessment.</i></p>	<p>Portfolio turnover costs for each of the funds are reviewed on an annual basis as part of the annual value for members' assessment. The ability to assess the appropriateness of these costs is limited by the availability of data. The Trustees' will monitor industry developments in how to assess these costs and incorporate this in future value for members' assessments. Importantly, performance is reviewed net of portfolio turnover costs.</p> <p>The Trustees' do not currently define target portfolio turnover ranges for funds, but it will engage with a manager if portfolio turnover is higher than expected.</p>
14	The duration of the arrangement with the asset manager	<p><i>SIP Section 3.4</i></p> <p><i>There is no set duration for the manager appointment. The Trustees' are long-term investors and are not looking to change the investment arrangements on a frequent basis. However, the appointment is regularly reviewed as to its continued suitability and could be</i></p>	<p>The Trustees' is a long term investor and all DC funds are open-ended. Therefore there is no set duration for manager appointments.</p> <p>The funds are reviewed on a regular basis, supported by advice from the investment consultants.</p>



	<i>terminated either because the Trustees' are dissatisfied with the managers' ongoing ability to deliver the mandate promised or because of a change of investment strategy by the Trustee.</i>	The Trustees' may choose to remove a fund from the fund range, if it is no longer considered appropriate, and the fund range is reviewed on at least a triennial basis.  No changes were made to the managers over the year.
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### Appendix A – Voting Activity during the Plan year

Voting activity information from each of the underlying investment managers (where provided) over the prior 12 months to 5 April 2021 is summarised in the table below. Where fund managers have not been included, this is due to being able to supply voting information at the time of finalising this report.

Fund	How many meetings were you eligible to vote at?	How many resolutions were you eligible to vote on?	What % of resolutions did you vote on for which you were eligible?	Of the resolutions on which you voted, what % did you vote with management?	Of the resolutions on which you voted, what % did you vote against management?	Of the resolutions on which you voted, what % did you abstain from voting?
Diversified Fund	*	*	*	*	*	*
Majedie UK Equity	151	2323	97.5%	96.4%	3.0%	0.6%
Blackrock Passive UK	769	11035	100.0%	95.2%	4.8%	0.7%
BlackRock Passive (30:70) Global Equity Currency Hedged	5181	58994	95.8%	93.0%	6.9%	1.6%
BlackRock Passive Emerging Market Equity	2417	22849	97.1%	91.3%	8.7%	2.9%
BlackRock Passive Overseas Equity	2185	26839	93.2%	93.9%	6.1%	0.3%

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<b>L&amp;G Global Equity Fixed Weights (60:40)</b>	3533	46630	99.9%	83.7%	16.2%	0.1%
<b>Baillie Gifford Diversified Growth</b>	97	877	94.5%	92.9%	5.7%	1.5%
<b>Insight Broad Opportunities</b>	14	151	100.0%	100.0%	0.0%	0.0%
<b>L&amp;G Ethical Global Equity</b>	1248	17763	99.8%	83.7%	16.2%	0.1%
<b>HSBC Islamic Global Equity</b>	108	1605	97.0%	87.4%	12.6%	0.0%
<b>Mercer Diversified Retirement Fund (underlying funds):</b>						
Mercer Passive Global Equity	301	3127	100.0%	87.0%	12.0%	1.0%
Aquila Life UK Equity Index Fund	1168	15622	97.1%	94.4%	5.6%	1.8%
Aquila Life World (Ex-UK) Equity Index Fund	2207	27008	93.9%	93.9%	6.1%	0.4%
Mercer Passive Emerging Markets Equity Fund	2312	23112	98.0%	88.0%	9.0%	3.0%
HSBC Islamic Global Equity	see above	see above	see above	see above	see above	see above
Mercer Active UK Equity Fund	55	915	100.0%	97.0%	2.0%	1.0%
Mercer Active Global Equity Fund	429	6580	100.0%	91.0%	7.0%	2.0%
Mercer Active Emerging Markets Equity Fund	1427	14042	90.0%	81.0%	16.0%	3.0%
Mercer Active Global Small Cap Equity Fund	749	8157	99.0%	92.0%	7.0%	1.0%
Mercer Active Low Volatility Equity Fund	518	7683	99.0%	92.0%	7.0%	0.0%
Mercer Sustainable Global Equity Fund	344	5258	100.0%	89.0%	10.0%	1.0%
Mercer Global Listed Infrastructure Fund	38	680	100.0%	87.0%	11.0%	2.0%

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Mercer Diversified Growth Fund	8223	87558	96.0%	82.0%	17.0%	1.0%
Mercer Growth Fund	8223	87558	96.0%	82.0%	17.0%	1.0%
Mercer Moderate Growth Fund	8223	87558	96.0%	82.0%	17.0%	1.0%
Mercer Defensive Fund	313	4180	96.0%	80.0%	20.0%	0.0%
Mercer High Growth Fund	8223	87558	96.0%	82.0%	17.0%	1.0%

\* Underlying Funds: BlackRock - Global Equity (30:70); Baillie Gifford - Diversified Growth; Insight - Broad Opportunities.

### Examples of Significant Votes

The following tables provide an example from each fund used by the Plan of a voting issue that arose within one of the Plan's funds, that the Trustees' and the manager deems significant.

Fund	Company	How you voted	Rationale for the voting decision
Majedie UK Equity	Tesco	Against	<b>Resolution:</b> Approve Remuneration Report
			<b>Rationale for the voting decision:</b> We voted against the Remuneration Report. The comparator group used for the relative TSR performance element of the LTIP had been amended, this enabled a significant amount of the award to vest, whereas use of the original comparator group would have led performance to below the threshold target.
Blackrock Passive UK	Fedex	Against	<b>Resolution:</b> Report on Lobbying Payments and Policy
			<b>Rationale for the voting decision:</b> FedEx spends large sums direct and through memberships in different organizations on lobbying with very limited transparency for shareholders.
BlackRock Passive	Chevron Corp.	Against	<b>Resolution:</b> Report on Lobbying Payments and Policy

<b>(30:70) Global Equity Currency Hedged</b>			<b>Rationale for the voting decision:</b> While we believe there is an opportunity for Chevron to refine it's reporting on climate-related lobbying as detailed above, Chevron's current substantive disclosure specifically related to lobbying payments and policy is in line with BIS' recommendations as outlined in BlackRock Investment Stewardship's perspective on corporate political activities.
<b>BlackRock Passive Emerging Market Equity</b>	ČEZ, a. S	Against	<b>Resolution 10:</b> Approve Remuneration Policy. <b>Resolution 12:</b> Recall and Elect Supervisory Board Members. <b>Resolution 13:</b> Recall and Elect Members of Audit Committee
			<b>Rationale for the voting decision:</b> Blackrock voted AGAINST recalling and electing Supervisory Board Members for the company's lack of progress on climate-related reporting and insufficient information with regards to the identity of the directors. For similar transparency issues, Blackrock voted AGAINST the remuneration policy, and recalling and electing the Members of the Audit Committee.
<b>BlackRock Passive Overseas Equity</b>	Exxon Mobil Corp	Against	<b>Item 1.2:</b> Elect Director Angela F. Braly
			<b>Rationale for the voting decision:</b> Director Angela F. Braly for insufficient progress on TCFD aligned reporting and related action. According to Exxon's disclosures, the company's Public Issues and Contributions Committee oversees operational risks such as those relating to employee and community safety, health, environmental performance, including actions taken to address climate-related risks, security matters, and reviews and provides advice on objectives, policies and programs related to political and other contributions.
<b>L&amp;G Global Equity Fixed Weights (60:40)</b>	Barclays	For	<b>Resolution:</b> Approve Barclays' Commitment in Tackling Climate Change Resolution 30 - Approve ShareAction Requisitioned Resolution
			<b>Rationale for the voting decision:</b> The resolution proposed by Barclays sets out its long-term plans and has the backing of ShareAction and co-filers. We are particularly grateful to the Investor Forum for the significant role it played in coordinating this outcome.
<b>Baillie Gifford Diversified Growth</b>	EDP Renováveis	Against	<b>Resolution:</b> Elect Director(s)
			<b>Rationale for the voting decision:</b> We opposed the election of a director due to the lack of independence and diversity on the board. We have taken action on the election of directors at the company since the 2018 AGM. Our concerns are regarding the attendance record of some directors, a lack of board independence and diversity. We have spoken to the company a

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			number of times regarding these concerns and continue raise the issue and take action where possible.
<b>Insight Broad Opportunities</b>	N/A	N/A	<p><b>As a result, examples of significant votes cast that may be comparable to other listed entities are not applicable to the strategy's exposures.</b></p> <p>The corporate structure of closed-end investment companies held in the strategy includes an independent board which is responsible for providing an overall oversight function on behalf of all shareholders. This governance framework includes a range of aspects including setting out investment objectives, and on an ongoing basis ensuring that the underlying strategy and portfolio activities within it remain within the agreed framework. This governance framework, that is with an independent board acting on behalf of shareholders, generally limits contentious issues that can arise with other listed entities.</p>
<b>L&amp;G Ethical Global Equity</b>	The Procter & Gamble Company	For	<b>Resolution:</b> Report on effort to eliminate deforestation.
			<b>Rationale for the voting decision:</b> P&G uses both forest pulp and palm oil as raw materials within its household goods products. The company has only obtained certification from the Roundtable on Sustainable Palm Oil for one third of its palm oil supply, despite setting a goal for 100% certification by 2020.
<b>HSBC Islamic Global Equity</b>	Eli Lilly & Company	For	<b>Resolution:</b> Link Executive Pay to Social Criteria
			<b>Rationale for the voting decision:</b> We favour proposals calling for the integration of extra-financial metrics in determining executives' variable remuneration.
<b>Mercer Diversified Retirement Fund (underlying funds):</b>			
<b>Aquila Life UK Equity Index</b>	Exxon Mobil Corp	Against	<b>Resolution:</b> Report on Costs & Benefits of Climate-Related Expenditures
			<b>Rationale for the voting decision:</b> The lead filer of this proposal co-founded a publicly traded mutual fund that "advocated as a corporate shareholder against climate alarmism during the 2000s" and co-leads a group known as "Burn More Coal." The intentions of this filer are not in line with BlackRock's stated positions on climate risk and the need for an orderly transition to a lower carbon economy. We therefore voted against this proposal seeking a board report on climate-related expenditures.
<b>Aquila Life World</b>	Royal Dutch Shell Plc	For	<b>Resolution:</b> The shareholder proposal (Item 21) requested that Shell set and publish targets across Scope 1, 2 and 3, aligned with the Paris Agreement.

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<b>(Ex_UK) Equity Index</b>			<b>Rationale for the voting decision:</b> Blackrock has been engaged with Shell on its climate commitments for a number of years and was engaged with the company throughout the process of this latest upgrading of its commitments.
<b>Mercer Passive Global Equity</b>	N/A	N/A	<p>The legal right to vote belongs to the relevant fund, as the owner of the securities. The voting activity is delegated to the external investment managers ("sub-investment managers") as appointed by Mercer Global Investments Europe Limited ("MGIE"), as the investment manager for the investment vehicles in which clients are invested. MGIE expects sub-investment managers to comply with its Engagement Policy and will seek to ensure that obligations under this Engagement Policy are discharged by the sub-investment managers. The Engagement Policy is available here: <a href="https://investment-solutions.mercer.com/global/all/en/investment-solutions-home/corporate-policies.html">https://investment-solutions.mercer.com/global/all/en/investment-solutions-home/corporate-policies.html</a></p>
<b>Mercer Passive Emerging Markets Equity</b>			
<b>Mercer Active UK Equity</b>			
<b>Mercer Active Global Equity</b>			
<b>Mercer Active Emerging Markets Equity</b>			
<b>Mercer Active Global Small Cap Equity</b>			
<b>Mercer Active Low Volatility Equity</b>			
<b>Mercer Sustainable Global Equity</b>			
<b>Mercer Defensive</b>			

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<b>Mercer Global Listed Infrastructure</b>			<b>Not given</b>
<b>Mercer Diversified Growth Fund</b>	Intel Corp.	Against (With Management)	<b>Resolution:</b> Shareholder Proposal Regarding Median Gender and Racial Pay Equity Report
			<b>Not Given</b>
<b>Mercer Growth Fund</b>	Walmart Inc.	For (Against Management)	<b>Resolution:</b> Shareholder Proposal Regarding Report on Single-Use Plastic Shopping Bags
			<b>Not Given</b>
<b>Mercer Moderate Growth</b>	Barclays plc	For	<b>Resolution:</b> Shareholder Proposal Regarding Climate Change Strategy
			<b>Not Given</b>
<b>Mercer High Growth</b>	Yum Brands Inc.	For (Against Management)	<b>Resolution:</b> Shareholder Proposal Regarding Deforestation and Climate Impact Report
			<b>Not Given</b>