

## Implementation Statement

### John Townsend Trust Pension and Assurance Scheme

This Implementation Statement has been prepared by the Trustee of the John Townsend Trust Pension and Assurance Scheme (“the Scheme”) and sets out how the Trustee’s policies on exercising rights and engagement policies have been followed over the year.

#### How voting and engagement policies have been followed

The Trustee’s policy on voting and engagement is set out in the Scheme’s Statement of Investment Principles. The last review of this statement took place in September 2020. The Scheme invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Scheme’s fund managers.

The Trustee reviewed the stewardship and engagement activities of the current manager during the year, alongside preparation of the Implementation Statement, and was satisfied that their policies were reasonable and no remedial action was required during the period.

Having reviewed the above in accordance with their policies, the Trustee is comfortable the actions of the fund manager is in alignment with the Scheme’s stewardship policies.

#### Voting undertaken on behalf of the Trustee

In the year to 31 December 2020, the Scheme invested solely in passive gilt funds and a buy & maintain credit fund which have no voting rights attached and therefore there is no voting activity over 2020.

#### Firm level engagement

The Scheme’s investments are held through pooled funds managed by Legal & General Investment Management (“LGIM”). The scope for engagement from the passive gilt holdings is extremely limited given the nature of the asset class.

The Scheme also invests in the LGIM Buy and Maintain Credit Fund and, where applicable, the investment manager engages with their investee companies on behalf of the Trustee.

LGIM were only able to provide engagement data at firm level. The data below is a summary of LGIM’s global engagement at a firm level for the year up until 31 December 2020.

Manager	LGIM
<b>Fund name</b>	Applicable for all LGIM funds
<b>Does the manager perform engagement on behalf of the holdings within the funds</b>	Yes
<b>Has the manager engaged with companies to influence them in relation to ESG factors in the year?</b>	Yes

Manager	LGIM
<b>Number of engagements undertaken at a firm level in the year</b>	891
<b>Number of companies engaged</b>	796
<b>Number of engagements on environmental topics</b>	416
<b>Number of engagements on governance topics</b>	401
<b>Number of engagements on social topics</b>	241
<b>Number of engagements on other topics (e.g. financial and strategy)</b>	171
<b>Examples of engagements undertaken with holdings in the funds</b>	<p>LGIM's main engagement topics include: Remuneration, Board compensation, Diversity, LGIM ESG Score, Climate Change, Governance score, Strategy, COVID 19 and Disclosure.</p> <p>An example is LGIM's engagement regarding Barclays' AGM, in which there has been significant client interest. LGIM endorsed Barclay's ESG target, to shrink its carbon footprint to net zero by 2050, and are focusing on helping Barclays develop plans and achieve their target.</p> <p>Another example is LGIM's 'Pandemic 50' collaborative engagement. LGIM along with nine other investors engaged with 50 of the world's largest companies about their response to the global pandemic. This identified a variety of weaknesses in economies and gaps in social safety nets. The coalition, representing \$3.7 trillion of assets under management, assessed how the business model, strategies and practices of each company are adapting to strengthen long-term resilience. In particular, they focused on how board oversight and approach to human capital management has evolved.</p>