

Implementation Statement, covering the Scheme Year from 1 January 2021 to 31 December 2021

The Trustees of the Lincoln's Inn Staff Pension Scheme (the "Scheme") are required to produce a yearly statement to set out how, and the extent to which, the Trustees have followed the voting and engagement policies in their Statement of Investment Principles ("SIP") during the Scheme Year. This is provided in Section 1 below.

The Statement is also required to include a description of the voting behaviour during the Scheme Year by, and on behalf of, trustees (including the most significant votes cast by trustees or on their behalf) and state any use of the services of a proxy voter during that year. This is provided in Section 3 below.

1. Review of voting and engagement policies

No changes were made to the voting and engagement policies in the SIP during the Scheme Year.

The Trustees have, in their opinion, followed the Scheme's voting and engagement policies during the Scheme Year, by continuing to delegate to their investment managers the exercise of rights and engagement activities in relation to investments, as well as seeking to appoint managers that have strong stewardship policies and processes. The Trustees took steps to review the Scheme's existing managers and funds over the period, as described in Section 2 (Voting and engagement) below.

2. Voting and engagement

As part of its advice on the selection and ongoing review of the investment managers, the Scheme's investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers' approaches to voting and engagement.

Every two years, LCP publishes a Responsible Investment Survey that includes LCP's qualitative RI assessments for each fund and red flags any managers of concern. These scores cover the approach to ESG factors, voting and engagement. The latest LCP Responsible Investment survey was published in January 2022.

3. Description of voting behaviour during the Scheme Year

All of the Trustees' holdings in listed equities are within pooled funds and the Trustees have delegated to their investment managers the exercise of voting rights. Therefore, the Trustees are not able to direct how votes are exercised and the Trustees themselves have not used proxy voting services over the Scheme Year.

In this section we have sought to include voting data on the Scheme's funds that hold equities. All of the Scheme's funds are managed by Legal & General Investment Management ("LGIM"):

- LGIM UK Equity Index Fund
- LGIM Global Equity (ex UK) Fixed Weights Equity Index Fund
- LGIM World Emerging Markets Equity Index Fund

In addition to the above, the Trustees contacted the Scheme's asset manager about the funds that do not hold listed equities, to ask if any of the assets held by the Scheme had voting opportunities over the period. No votes were disclosed for these funds.

3.1 Description of the voting processes

Legal & General Investment Management

LGIM's voting and engagement activities are driven by ESG (environmental, social and governance) professionals and their assessment of the requirements in these areas seeks to achieve the best outcome for all their clients. LGIM's voting policies are reviewed annually and take into account feedback from their clients.

Every year, LGIM holds a stakeholder roundtable event where clients and other stakeholders (civil society, academia, the private sector and fellow investors) are invited to express their views directly to the members of the Investment Stewardship team. The views expressed by attendees during this event form a key consideration as

they continue to develop our voting and engagement policies and define strategic priorities in the years ahead. They also take into account client feedback received at regular meetings and/ or ad-hoc comments or enquiries.

All decisions are made by LGIM's Investment Stewardship team and in accordance with LGIM's relevant Corporate Governance & Responsible Investment and Conflicts of Interest policy documents which are reviewed annually. Each member of the team is allocated a specific sector globally so that the voting is undertaken by the same individuals who engage with the relevant company. This ensures their stewardship approach flows smoothly throughout the engagement and voting process and that engagement is fully integrated into the vote decision process, therefore sending consistent messaging to companies.

3.2 Summary of voting behaviour over the Scheme Year

A summary of voting behaviour over the period is provided in the table below.

	Fund 1	Fund 2	Fund 3
Manager name	Legal & General Investment Management	Legal & General Investment Management	Legal & General Investment Management
Fund name	UK Equity Index Fund	Global Equity (ex UK) Fixed Weights Equity Index Fund	World Emerging Markets Equity Index Fund
Total size of fund at end of reporting period	£20,461m	£31m	£7,331m
Value of Scheme assets at end of reporting period (£ / % of total assets)	£5.9m / 21% of total assets	£9.0m / 31% of total assets	£3.0m / 10% of total assets
Number of holdings at end of reporting period	572	2,046	1,618
Number of meetings eligible to vote	707	1,872	3,627
Number of resolutions eligible to vote	9,923	23,125	31,303
% of resolutions voted	100.00%	99.90%	99.79%
Of the resolutions on which voted, % voted with management	92.77%	78.34%	81.82%
Of the resolutions on which voted, % voted against management	7.23%	21.49%	16.29%
Of the resolutions on which voted, % abstained from voting	0.00%	0.17%	1.90%
Of the meetings in which the manager voted, % with at least one vote against management	45.69 %	80.29%	49.17%
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	5.51%	14.57%	6.24%

3.3 Most significant votes over the year

Commentary on the most significant votes over the period, from the Scheme's asset manager who holds listed equities, is set out below. We have asked LGIM to comment on votes that they believe to be significant. LGIM stated:

“As regulation on vote reporting has recently evolved with the introduction of the concept of ‘significant vote’ by the EU Shareholder Rights Directive II, LGIM wants to ensure we continue to help our clients in fulfilling their reporting obligations. We also believe public transparency of our vote activity is critical for our clients and interested parties to hold us to account.

For many years, LGIM has regularly produced case studies and/ or summaries of LGIM’s vote positions to clients for what we deemed were ‘material votes’. We are evolving our approach in line with the new regulation and are committed to provide our clients access to ‘significant vote’ information.

In determining significant votes, LGIM’s Investment Stewardship team takes into account the criteria provided by the Pensions & Lifetime Savings Association (PLSA) guidance. This includes but is not limited to:

- High profile vote which has such a degree of controversy that there is high client and/ or public scrutiny;
- Significant client interest for a vote: directly communicated by clients to the Investment Stewardship team at LGIM’s annual Stakeholder roundtable event, or where we note a significant increase in requests from clients on a particular vote;
- Sanction vote as a result of a direct or collaborative engagement;
- Vote linked to an LGIM engagement campaign, in line with LGIM Investment Stewardship’s 5-year ESG priority engagement themes.

We provide information on significant votes in the format of detailed case studies in our quarterly ESG impact report and annual active ownership publications.

The vote information is updated on a daily basis and with a lag of one day after a shareholder meeting is held. We also provide the rationale for all votes cast against management, including votes of support to shareholder resolutions.

If you have any additional questions on specific votes, please note that LGIM publicly discloses its vote instructions on our website at: <https://vds.issgovernance.com/vds/#/MjU2NQ==>”

3.3.1 LGIM UK Equity Index Fund

Company name	Imperial Brands plc
Date of vote	03/02/2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.64%
Summary of the resolution	Resolutions 2 and 3, respectively, Approve Remuneration Report and Approve Remuneration Policy.
How you voted	LGIM voted against both resolutions.
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM’s policy not to engage with its investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.

Rationale for the voting decision	The company appointed a new CEO during 2020, who was granted a significantly higher base salary than his predecessor. A higher base salary has a consequential ripple effect on short- and long-term incentives, as well as pension contributions. Further, the company did not apply best practice in relation to post-exit shareholding guidelines as outlined by both LGIM and the Investment Association. An incoming CEO with no previous experience in the specific sector, or CEO experience at a FTSE100 company, should have to prove her or himself beforehand to be set a base salary at the level, or higher, of an outgoing CEO with multiple years of such experience. Further, LGIM would expect companies to adopt general best practice standards. Prior to the AGM, LGIM engaged with the company outlining what its concerns over the remuneration structure were. LGIM also indicated that it publishes specific remuneration guidelines for UK-listed companies and keeps remuneration consultants up to date with its thinking.
Outcome of the vote	Resolution 2 (Approve Remuneration Report) received 40.26% votes against, and 59.73% votes of support. Resolution 3 (Approve Remuneration Policy) received 4.71% of votes against, and 95.28% support.
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM continues to engage with companies on remuneration both directly and via IVIS, the corporate governance research arm of The Investment Association. LGIM annually publishes remuneration guidelines for UK listed companies.
On which criteria have you assessed this vote to be "most significant"?	LGIM are concerned over the ratcheting up of executive pay; and believe executive directors must take a long-term view of the company in their decision-making process, hence the request for executives' post-exit shareholding guidelines to be set.

Company name	Informa Plc
Date of vote	03/06/2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.34%
Summary of the resolution	Resolution 3, Re-elect Stephen Davidson as Director Resolution 5, Re-elect Mary McDowell as Director Resolution 7, Re-elect Helen Owers as Director Resolution 11, Approve Remuneration Report
How you voted	Against Resolutions 3, 5, 7, and 11 (against management recommendation).
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with its investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.

Rationale for the voting decision	<p>The company's prior three Remuneration Policy votes – in 2018, June 2020, and at a General Meeting that was called in December 2020 – each received high levels of dissent, with 35% or more of votes cast against. At the December 2020 meeting, the Remuneration Policy and the Equity Revitalisation Plan (EVP) received over 40% of votes against. The EVP was structured to award the CEO restricted shares to a value of 600% of salary. LGIM has noted its concerns with the company's remuneration practices for many years. Due to continued dissatisfaction, LGIM again voted against the proposed Policy at the December 2020 meeting. However, despite significant shareholder dissent at the 2018 and 2020 meetings, the company implemented the awards under the plan, a few weeks after the December meeting. Additionally, the Remuneration Committee has adjusted the performance conditions for the FY2018 long-term incentive plan (LTIP) awards while the plan is running, resulting in awards vesting where they would otherwise have lapsed. Due to consistent problems with the implementation of the company's Remuneration Policy and the most recent events as described above, LGIM has voted against the Chair of the Remuneration Committee for the past three years. Given the company has implemented plans that received significant dissent from shareholders without addressing persistent concerns, LGIM has taken the decision to escalate its vote further to all incumbent Remuneration Committee members, namely Stephen Davidson (Remuneration Committee Chair), Mary McDowell and Helen Owers.</p>
Outcome of the vote	<p>Resolution 3 53.4% of shareholders supported the resolution. Resolution 5 80% of shareholders supported the resolution. Resolution 7 78.1% of shareholders supported the resolution. Resolution 11 38.3% of shareholders supported the resolution.</p>
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	<p>LGIM will continue to seek to engage with the company and monitor progress.</p>
On which criteria have you assessed this vote to be "most significant"?	<p>LGIM consider this vote to be significant as LGIM took the rare step of publicly pre-declaring it before the shareholder meeting. Publicly pre-declaring its vote intention is an important tool for its engagement activities. LGIM decided to pre-declare its vote intention for a number of reasons, including as part of its escalation strategy, where it considers the vote to be contentious, or as part of a specific engagement programme.</p>

Company name	Frasers Group plc
Date of vote	29/09/2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.05%
Summary of the resolution	Resolution 1 - To receive and adopt the Report & Accounts
How you voted	Against
Where you voted against management, did you communicate your intent to the company ahead of the vote?	<p>LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is its policy not to engage with its investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.</p>

Rationale for the voting decision	LGIM's corporate governance policy requires all UK-listed companies to meet the requirements of the Modern Slavery Act 2015. Section 54 of the Act requires companies to provide a statement setting out the steps they have taken to ensure that slavery and human trafficking is not taking place in their own operations or within their supply chain. In addition, the statement should be signed by the board of directors. LGIM will sanction any company that has failed to meet the requirements of the Act for two consecutive years. Not only do LGIM consider this to be a serious governance failing, it sees this as both a humanitarian crisis and a risk to a company's operating model. In 2016, it is estimated that there were more than 40 million cases of modern slavery globally; the true figure today is thought to be significantly higher, LGIM is part of a collaborative engagement group that is trying to ensure UK companies comply with this legislation.
Outcome of the vote	99.5% supported the resolution
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	While engagement with the company suggests it will be compliant with the requirements of Section 54 by the end of this year, LGIM considered this to be insufficient cause to change its vote.
On which criteria have you assessed this vote to be "most significant"?	This vote was significant because it relates to one of LGIM's engagement themes: Human Rights/Inequality

3.3.2 LGIM Global Equity (ex UK) Fixed Weighted Index Fund

Company name	Facebook, Inc.
Date of vote	26/05/2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.62%
Summary of the resolution	Resolution 1.9 Elect Director Mark Zuckerberg
How you voted	Withhold
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with its investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.
Rationale for the voting decision	LGIM has a longstanding policy advocating for the separation of the roles of CEO and board chair. These two roles are substantially different, requiring distinct skills and experiences. Since 2015 LGIM has supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 LGIM is voting against all combined board chair/CEO roles. Furthermore, LGIM has published a guide for boards on the separation of the roles of chair and CEO (available on its website), and LGIM has reinforced its position on leadership structures across its stewardship activities – e.g. via individual corporate engagements and director conferences.
Outcome of the vote	97.2% of shareholders supported the resolution.
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage with its investee companies, publicly advocate its position on this issue and monitor company and market-level progress.
On which criteria have you assessed this vote to be "most significant"?	LGIM considers this vote to be significant as it is in application of an escalation of its vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote).

Company name	Mitsubishi UFJ Financial Group, Inc.
Date of vote	29/06/2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.22%
Summary of the resolution	Resolution 3 Amend Articles to Disclose Plan Outlining Company's Business Strategy to Align Investments with Goals of Paris Agreement
How you voted	For
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with its investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.
Rationale for the voting decision	Climate change: A vote in favour of this shareholder proposal is warranted as LGIM expects companies to be taking sufficient action on the key issue of climate change. While LGIM positively notes the company's recent announcements around net-zero targets and exclusion policies, it thinks that these commitments could be further strengthened and it believes the shareholder proposal provides a good directional push.
Outcome of the vote	22.7% of shareholders supported the resolution.
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage on this important ESG issue.
On which criteria have you assessed this vote to be "most significant"?	LGIM views climate change as a financially material issue for its clients, with implications for the assets it manages on their behalf. This was also a high profile proposal in Japan, where climate-related shareholder proposals are still rare.

Company name	Intel Corporation
Date of vote	13/05/2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.19%
Summary of the resolution	Resolution 5 Report on Global Median Gender/Racial Pay Gap
How you voted	LGIM voted for the resolution (management recommendation: against).
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with its investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.
Rationale for the voting decision	Transparency: A vote in favour is applied as LGIM expects companies to disclose meaningful information on its gender pay gap and the initiatives it is applying to close any stated gap. LGIM views gender diversity as a financially material issue for its clients, with implications for the assets LGIM manages on their behalf. For 10 years, LGIM has used its position to engage with companies on this issue. As part of its efforts to influence its investee companies on having greater gender balance, LGIM expects all companies in which it invests globally to have at least one female on their board. Please note LGIM have stronger requirements in the UK, North American, European and Japanese markets, in line with its

	engagement in these markets. For further details, please refer to LGIM's vote policies on its website.
Outcome of the vote	14.3% of shareholders supported the resolution.
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage with its investee companies, publicly advocate its position on this issue and monitor company and market-level progress.
On which criteria have you assessed this vote to be "most significant"?	LGIM views gender diversity as a financially material issue for its clients, with implications for the assets it manages on their behalf.

3.3.3 LGIM World Emerging Markets Equity Index Fund

Company name	Alibaba Group Holding Limited
Date of vote	17/09/2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	3.76%
Summary of the resolution	Resolution 1.1 - Elect Director Joseph C. Tsai
How you voted	Against
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with its investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.
Rationale for the voting decision	LGIM has a longstanding policy advocating for the separation of the roles of CEO and board chair. These two roles are substantially different, requiring distinct skills and experiences. Since 2015 LGIM has supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 LGIM has voted against all combined board chair/CEO roles. Furthermore, it has published a guide for boards on the separation of the roles of chair and CEO (available on LGIM's website), and it has reinforced its position on leadership structures across its stewardship activities – e.g. via individual corporate engagements and director conferences.
Outcome of the vote	73.6%
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage with its investee companies, publicly advocate its position on this issue and monitor company and market-level progress.
On which criteria have you assessed this vote to be "most significant"?	LGIM considers this vote to be significant as it is in application of an escalation of its vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote).

Company name	China Construction Bank Corporation
Date of vote	25/06/2021

Approximate size of fund's holding as at the date of the vote (as % of portfolio)	1.02%
Summary of the resolution	Resolution 1 Approve Report of the Board of Directors
How you voted	Against
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with its investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.
Rationale for the voting decision	The company is deemed to not meet minimum standards with regards to climate risk management and disclosure.
Outcome of the vote	N/A
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage with the company and monitor progress.
On which criteria have you assessed this vote to be "most significant"?	LGIM considers this vote to be significant as it is applied under the Climate Impact Pledge, its flagship engagement programme targeting some of the world's largest companies on their strategic management of climate change.

Company name	MediaTek, Inc.
Date of vote	10/06/2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.71%
Summary of the resolution	Resolution 5.1 Elect Ming-Kai Tsai with Shareholder No. 1 as Non-independent Director
How you voted	LGIM voted against the resolution (management recommendation: for).
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with its investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.
Rationale for the voting decision	LGIM views gender diversity as a financially material issue for its clients, with implications for the assets it manages on their behalf. For 10 years, LGIM has been using its position to engage with companies on this issue. As part of its efforts to influence its investee companies on having greater gender balance, LGIM expect all companies in which it invests globally to have at least one female on their board. Please note LGIM has stronger requirements in the UK, North American, European and Japanese markets, in line with its engagement in these markets. For further details, please refer to LGIM's vote policies on its website.
Outcome of the vote	N/A
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage with its investee companies, publicly advocate its position on this issue and monitor company and market-level progress.
On which criteria have you assessed this vote to be "most significant"?	LGIM views gender diversity as a financially material issue for its clients, with implications for the assets it manages on their behalf.