

LGIM's Engagement policy

How we integrate shareholder engagement into our investment strategy

This Policy sets out the approach to shareholder engagement by subsidiary companies of Legal and General Investment Management (Holdings) Limited ("LGIM(H)") that are defined as institutional investors or asset managers under the Shareholders Rights Directive II. Any references to "LGIM" in this Policy includes:

- Legal & General Investment Management Limited
- LGIM Real Assets (Operator) Limited
- LGIM International Limited
- Legal and General Assurance (Pensions Management) Limited
- GO ETF Solutions LLP
- Legal & General (Unit Trust Management) Limited
- LGIM Managers (Europe) Limited

Pursuant to the Shareholder Rights Directive II (SRD II), LGIM is required to disclose a shareholder engagement policy on a 'comply or explain' basis. This policy must describe how LGIM:

1. monitors investee companies on relevant matters, including strategy, financial and non-financial performance and risk, capital structure, social and environmental impact and corporate governance;
2. conducts dialogues with investee companies;
3. exercises voting and any other shareholder rights;
4. cooperates with other shareholders;
5. communicates with relevant stakeholders of the investee companies;
6. manages actual and potential conflicts of interests in their engagement.

The LGIM policies, such as the UK Stewardship Policy, LGIM's Corporate Governance & Responsible Investment Policies, LGIM's Approach to Corporate Governance and Responsible Investment, and the LGIM Conflicts of Interest Policy are fully compliant with SRD II and [available on our website](#).

SRD II also requires annual reporting on the policy's implementation, including a general description of voting behaviour, votes cast, an explanation of the most significant votes and the use of proxy advisors. LGIM's engagement and voting activities are reported on in our longstanding annually released [Active Ownership Report](#) and we disclose our [voting activity](#) on our website for the main markets on a monthly basis. This disclosure includes rationale where we cast votes against management. We also produce a quarterly client report that outlines our significant votes in the previous quarter and on an ad-hoc basis we pre-declare our voting intention on some high profile votes. Also published on our website is how we use any [proxy advisors](#).

Important Notice

This document is designed for the use of professional investors and their advisers. No responsibility can be accepted by Legal & General Investment Management Limited or contributors as a result of information contained in this publication. Specific advice should be taken when dealing with specific situations. As required under applicable laws Legal & General will record all telephone and electronic communications and conversations with you that result or may result in the undertaking of transactions in financial instruments on your behalf. Such records will be kept for a period of five years (or up to seven years upon request from the Financial Conduct Authority (or such successor from time to time)) and will be provided to you upon request.

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