

Mercer Master Trust (the “Scheme”)

Annual Implementation Statement – 31 March 2021

1. Introduction

This statement, prepared by the Trustees of the Scheme (the “Trustees”), sets out how, and the extent to which, the Statement of Investment Principles (“SIP”) has been followed during the year to 31 March 2021 (the “Scheme year”). This statement should be read in conjunction with the SIP¹.

This statement also includes a summary of the voting activity that was carried out on behalf of the Trustees over the Scheme year by the investment managers.

2. Statement of Investment Principles

2.1. Investment Objectives of the Scheme

The objective of the Scheme, included in the SIP, is to meet obligations to members of the Scheme which is achieved by the following:

- *Offering members access to lifestyle strategies, should they wish to use them, in which investments are managed over the course of their working life.*
- *Ensuring that the investment strategy options 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 Scheme members – both before and after retirement.*

- *Providing general guidance as to the purpose of each investment option.*
- *Encouraging members to seek independent financial advice from an appropriate person in determining the more suitable option.*
- *Making available independent financial advice to members as they approach retirement and making available investment products and solutions that are aligned to their needs.*

2.2. Review of the SIP

During the year, the Trustees reviewed and amended the Scheme’s SIP formally on one occasion, taking formal advice from the investment consultant (“Mercer”).

The SIP update took place in September 2020 and included the following revisions:

- Updates to reflect the new requirements under The Occupational Pension Scheme (Investment and Disclosure) (Amendment) Regulations 2018 relating to the Trustee’s policy in relation to their arrangements with their investment managers were added as Section 10 of the SIP. These updates included:
 - The relevant matters which the investment managers’ engagement policies are expected to include
 - How the arrangements incentivise the investment managers to align their investment strategies and decisions with the Trustees’ investment policies
 - How the arrangements incentivise the investment managers 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

¹ Available at the following webpage:
https://adviser.scottishwidows.co.uk/assets/literature/docs/mmt_sip.pdf and <https://www.aviva.co.uk/dwp->

- How the method (and time horizon) of the evaluation of the investment managers' performance and the remuneration for asset management services are in line with the Trustees' investment policies
- How the Trustees monitor "portfolio turnover costs" incurred by the investment managers, and how they define and monitor targeted portfolio turnover or turnover range
- The duration of the arrangement with the investment managers.

For the avoidance of doubt, this Statement refers to all versions of the SIP in place during the year to 31 March 2021.

2.3. Assessment of how the policies in the SIP have been followed for the year to 31 March 2021

The information provided in the following section highlights the work undertaken by the Trustees during the Scheme year to 31 March 2021 and sets out how this work followed the Trustees' policies in the SIP.

In summary, it is the Trustees' view that the policies in the SIP have been followed during the Scheme year to 31 March 2021.

Policy	Location in SIP	How the policy has been met over the year to 31 March 2021
1 Kind of investments to be held and the balance between different kinds of investments	Sections 4 and 5.	<p>The Trustees continue to hold investments within the Scheme that are consistent with the policies in the SIP.</p> <p>No changes were made to the strategic asset allocation of the multi-asset funds, some of which are used within the Scheme's lifestyle strategies, during the Scheme year. Approval was provided for strategic asset allocation changes following the Scheme year end. The Trustees considered advice from their investment consultant that this was suitable, this considered knock on impacts of the allocation changes within the glidepath, including analysis of the impact on member outcomes</p>
2 Risks, including the ways in which risks are to be measured and managed	Section 6	<p>The Trustees consider both quantitative and qualitative measures for risks when deciding investment policies, strategic asset allocation and the choice of fund managers / funds / asset classes.</p> <p>Some of the main risks, identified in the SIP, are considered as part of the Trustees' regular quarterly investment performance monitoring, through and Mercer' fund and ESG ratings provided in the investment performance report.</p> <p>Further to the above, the main risks are considered for the multi-asset funds annually by the Delegated Investment Manager and these feed into the annual investment strategy review. The annual strategy review was presented at the June 2020 Trustees meeting. The Trustees also consider the full fund range and ensure that members have a broad enough selection in order to manage the identified risks to levels suitable for their risk appetite and tolerance.</p>
3 Expected Return on Investments	Section 7	<p>As noted in the SIP, the Trustees have regard to the relative investment return, net of fees, that each fund is expected to provide. The annual value for member's assessment, tabled at the June 2020 Trustee meeting, explicitly considers performance net of fees. Underperforming managers were asked to present at the December Trustee meeting in order to explain the reasoning for their underperformance and any changes being made to their approach as a result.</p> <p>As part of the annual investment strategy review, considered at the June Trustee meeting, the Trustees monitor the expected return for each of the multi-asset funds used within the Scheme. This is to ensure that the asset mix is considered suitable for delivering the stated objective of each fund using the most up to date expected return assumptions. No changes were made as a result of this review.</p>



Investment Mandates

	Policy	Location in SIP	How the policy has been met over the year to 31 March 2021
4	Securing compliance with the legal requirements about choosing investments	Section 2	The Scheme's investment advisors attended all Trustees' meetings during the year. The investment advisors provided updates on fund performance and, where required, appropriateness of the funds used, as well as advice on asset allocation and investment risks.
5	Realisation of Investments	Section 8	<p>The Trustees invest the assets of the Schemes in a number of pooled funds, the investment managers have discretion over the investment of the assets.</p> <p>From Q2 2020, the underlying investment managers of the two property funds available in the range (Mercer Active UK Property and M&G Feeder of Property) temporarily suspended dealing in the property funds in which members of the Scheme invest (via the self-select fund range). This arose as valuation firms were unable to make reliable judgments on the value of the underlying properties within the funds due to the increased market volatility caused by the COVID-19 pandemic. Following the receipt of investment advice in April 2020, the Trustees agreed to redirect members' contributions to the cash fund, which was notified to members in advance. It was also communicated to members in the Aviva platform that when the suspension would lift, their contributions would be redirected back to the property funds, unless they had changed their instructions. The communication to Scottish Widows members confirmed that their contributions would continue to be directed to the cash fund so their action would be required. Legal advice was received in October 2020 confirming that the communication followed guidance from The Pensions Regulator as to what actions did not result in the creation of a technical default, when redirecting contributions back into the property fund. The Mercer Active UK Property fund resumed dealing in October 2020 whilst the M&G fund did not resume dealing until May 2021. Communications were sent to members on both occasions to confirm that the suspension previously communicated had been lifted.</p> <p>There were no other changes during the year to the liquidity of the funds used by the Scheme.</p>
6	Financial and non-financial considerations	Sections 9 and 11	The Trustees' policy with respect to the selection, retention and appointment of investment managers was updated during the year to reflect the new requirements outlined earlier in Section 2.2.

Policy	Location in SIP	How the policy has been met over the year to 31 March 2021
<p>and how those considerations are taken into account in the selection, retention and realisation of investments</p>		<p>The Trustees and the Delegated Investment Manager utilise Mercer’s manager research ratings when making decisions around selection, retention and realisation of manager appointments. The focus is on the medium and long-term financial and non-financial performance. The investment adviser or Delegated Investment Manager will put a manager ‘on watch’ if there are concerns regarding the investment manager’s fund. As at 31 March 2021, out of 37 funds there were 3 ‘on watch’ following either downgrades from the manager research team or concerns over performance.</p> <p>During the year, the Delegated Investment Manager implemented some dynamic asset allocation to manage some potentially financially material risks.</p> <p>No member views were received over the year specifically in relation to the investment arrangements.</p>



Monitoring the Investment Managers

Policy	Location in SIP	How the policy has been met over the year to 31 March 2021
7 Incentivising investment managers to align their investment strategies and decisions with the Trustees' policies	Section 10	<p>The Trustees' policy on investment manager incentivisation was added during the year to reflect the new requirements outlined earlier in Section 2.2 of this statement.</p> <p>If an investment manager is not meeting performance objectives or targets, or the investment objectives for a mandate have changed, the Trustees will review the fund appointment to ensure it remains appropriate and consistent with the Trustee's wider investment objectives.</p> <p>Underperforming managers were asked to present at the December Trustee meeting in order to explain the reasoning for their underperformance and any changes being made to their approach as a result.</p>
8 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	Section 10	<p>The Trustees' policy on investment manager incentivisation was added during the year to reflect the new requirements outlined earlier in Section 2.2 of this statement.</p> <p>The assessments of the medium to long-term financial and non-financial performance of an issuer are made by the investment managers (both the underlying third party asset managers appointed by the Delegated Investment Manager and the external managers). The Trustees' view is that these managers are in a position to engage directly with such issuers in order to improve performance in the medium to long term.</p> <p>Over the year, the Trustees monitored how each asset manager embeds ESG into their investment process and how the managers' responsible investment philosophy aligns with the Trustees own beliefs via changes in the ESG ratings assigned by Mercer.</p> <p>As part of this implementation statement process, the Trustees have also received and considered key voting and engagement information from the managers, which is summarised in the Voting and Engagement Activity section that follows.</p>

Policy	Location in SIP	How the policy has been met over the year to 31 March 2021
<p>9</p> <p>Evaluation of the investment manager's performance and the remuneration for asset management services</p>	<p>Section 10</p>	<p>The Trustees' policy on performance evaluation and investment manager remuneration was added during the year to reflect the new requirements outlined earlier in Section 2.2 of this statement.</p> <p>To evaluate performance in respect of the investment managers, the Trustees received and discussed investment performance reports on a quarterly basis. Such reports have information covering fund performance for the previous 3 months, 1 year and 3 years for the investment managers against their respective objectives/benchmarks.</p> <p>In addition, the Trustees monitored the investment and Environmental, Social and Governance ("ESG") ratings assigned to each manager by Mercer on a quarterly basis.</p> <p>The value for money assessment, discussed at the June Trustee meeting, assesses the annual management charge of each fund against the relevant asset class universe in Mercer's manager research database. The Trustees will use the results of this assessment to negotiate the fees for any mandate which has fee levels above the universe median. Three investment funds were identified and fees for these funds were negotiated with the investment manager to bring them in line with median. These reductions were implemented in March 2021.</p>
<p>10</p> <p>Monitoring portfolio turnover costs</p>	<p>Section 10</p>	<p>The Trustees' policy on monitoring portfolio turnover costs was added during the year to reflect the new requirements outlined earlier in Section 2.2.</p> <p>The Trustees consider investment manager portfolio turnover costs as part of the Chair Statement. These are also considered in the annual value for member's assessment which was reviewed at the June Trustee meeting. Where a fund is underperforming the Trustees assess whether fees and transaction costs are significantly contributing to the underperformance. If transaction costs were higher than expected for an underperforming manager this was investigated further with the investment manager in question at the December Trustee meeting.</p>
<p>11</p> <p>The duration of the arrangement with the investment manager</p>	<p>Section 10</p>	<p>The Trustees' policy on the duration of an investment manager's appointment was added during the year to reflect the new requirements outlined earlier in Section 2.2 of this statement.</p> <p>Investment managers are aware that their continued appointment is based on their success in delivering the mandate for which they have been appointed to manage.</p> <p>The Scheme is a long term investor all investments are in open-ended funds, there is no set duration for the manager appointments.</p>



ESG Stewardship and Climate Change

Policy	Location in SIP	How the policy has been met over the year to 31 March 2021
12 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)	Section 9	<p>There were no changes to the Trustee's engagement policy during the Scheme year.</p> <p>In summary, the Trustees expect investment manager's engagement policies to include all relevant matters, as defined in the investment regulations. The Trustees review the voting and engagement activities (where applicable) on an annual basis as part of the implementation statement process.</p> <p>The Trustees are comfortable that active ownership (voting and engagement) is a priority for the Delegated Investment Manager. The Delegated Investment Manager does an annual survey of underlying investment managers on their engagement approach and outcomes. This report is used by the Delegated Investment Manager to engage with underlying investment managers on their stewardship approaches, with the view to positively influence these over time.</p> <p>The Trustees monitor the investment and ESG ratings assigned to each manager by Mercer on a quarterly basis via the investment reports and in Trustee meetings. A review of ESG ratings also forms part of the annual ESG report where the Trustees see a comparison versus the position last year and against the wider asset class universe covered by Mercer's manager research team. Over the year, there were ESG rating changes to several managers that the Scheme invests in and these were noted by the Trustees.</p> <p>The Trustees have an ESG Roadmap, which sets out a structured plan for the Trustee to cover ESG, climate change and stewardship actions. Progress against this roadmap will be reviewed at each quarterly Trustee investment only meeting.</p>



Voting Disclosures

Policy	Location in SIP	How the policy has been met over the year to 31 March 2021
13 The exercise of the rights (including voting rights) attaching to the investments	Section 9	<p>The investment funds used by the Scheme are multi-client pooled mandates accessed via insurance platforms, the Trustees do not have the legal right to the underlying votes in the existing investment structure. This limits their ability to influence the investment manager's voting approach.</p> <p>The Trustees require managers to vote on all actions, unless to do so would be detrimental to the Scheme, and to report any exceptions. Investment managers are expected to exercise voting rights and stewardship obligations in line with current best practice, including the UK Corporate Governance Code and the UK Stewardship Code. There is normally an annual assessment of investment manager practices against the UK Stewardship Code but this has been on hold due to a new Code being published in 2020. The Trustees expect this assessment activity to resume over the next Scheme year.</p> <p>The Trustees have delegated their voting rights to the investment managers and also expect their investment managers to engage with the investee companies on their behalf. There has been no significant change in this policy during the year and the policy reflects current practice. The Trustees have requested key voting activities from their managers during the Scheme year. The information received is summarised in the Voting and Engagement Activity section that follows.</p> <p>The Trustees are comfortable that active ownership (voting and engagement) is a priority for the Delegated Investment Manager. The Delegated Investment Manager does an annual survey of underlying investment managers on their engagement approach and outcomes. This report is used by the Delegated Investment Manager to engage with underlying investment managers on their stewardship approaches, with the view to positively influence these over time.</p>

Responsible Investment Activity by the Trustee during the Scheme year



Carbon footprint analysis

The Delegated Investment Manager completed a review of the carbon intensity of the Scheme's equity holdings as at 31 December 2019. Carbon intensity was measured as the Weighted Average Carbon Intensity ("WACI") – the sum product of the underlying funds weights by company carbon intensities expressed as (tons CO₂e / \$M revenue). The findings were discussed with the Trustees at the March 2020 meeting and included within the TCFD statement published in April 2020.

It was found that the carbon intensity of the Mercer Passive Sustainable Global Equity fund was less than half a standard global equity benchmark (MSCI World). This fund is used within the multi-asset funds and is available in the self-select fund range.

The Delegated Investment Manager highlighted that they would be looking to carry out carbon foot-printing analysis on corporate bond portfolios in the near future, when there was sufficient data available.

ESG Roadmap



In March 2021, the Trustees considered an ESG roadmap drafted by their investment adviser to help guide their ongoing discussions and actions in relation to how Environmental, Social and Governance ("ESG") factors are considered for the Scheme.

At this March meeting the Trustees also set up an ESG investment only meeting to take place following the Scheme year end. This meeting was set to include training on the Mercer approach to responsible investment with representatives from an industry body and investment manager invited to provide the Trustees with an external perspective on this quickly evolving topic.

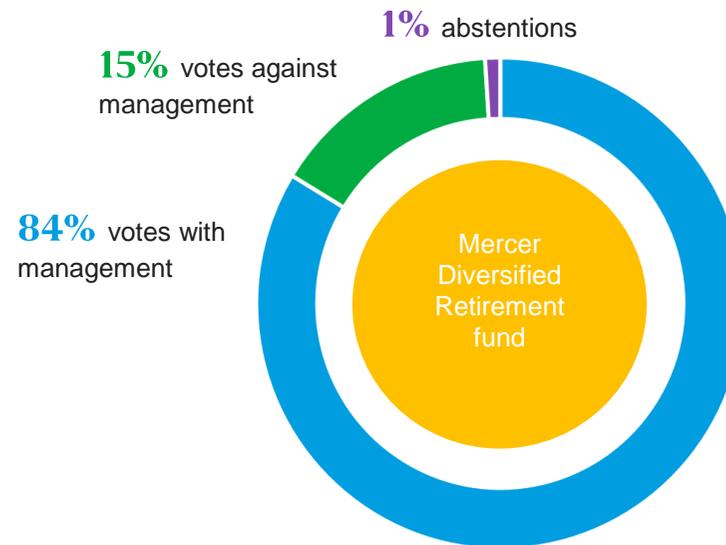
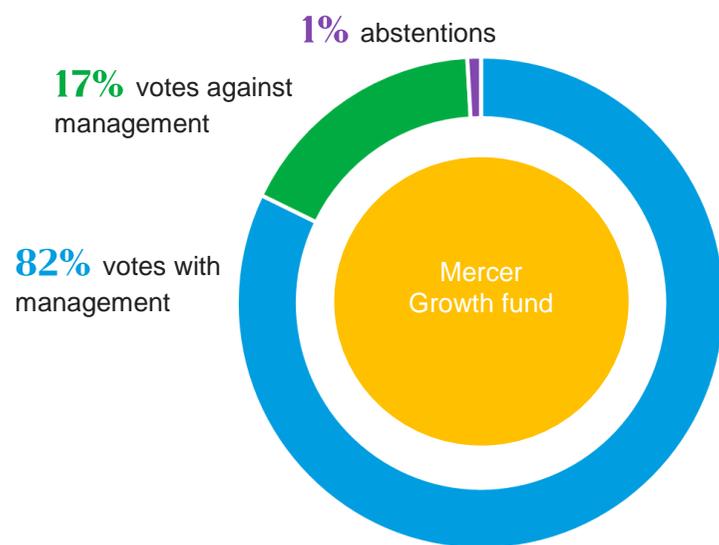
Voting and Engagement Activity

Voting activity during the Scheme year

The Trustees regard investment governance and active ownership to be of particular importance in serving the long-term interests of our members.

A summary of the voting activity for the Scheme's Mercer Growth and Mercer Diversified Retirement funds for the year to 31 March 2021 is provided in the charts below. These multi-asset funds are utilised within the Scheme's lifestyle strategies, the Diversified Retirement fund features in the pathway targeting drawdown. As at 31 March 2021, over 80% of the Scheme's assets were held in these two funds.

Over the prior 12 months, the Trustees have not actively challenged the Delegated Investment Manager or the Investment Manager of each externally managed fund on their voting activity. The Trustees do not use the direct services of a proxy voter. The Trustees have been engaging with the Delegated Investment Manager to improve the transparency of voting data for future purposes.



“Votes for / against management” assess how active managers are in voting against management and seeks to obtain the rationale behind voting activities.

The table below shows a summary of voting activity for the Scheme's most material funds containing equities, these have been defined as funds in which more than 1% of the Scheme's assets are invested. We have also included our two ESG-focussed funds - the Mercer Passive Sustainable Global Equity fund and the Mercer Sustainable Global Equity fund.

Fund	Proportion of AUM as at 31/03/2021	Resolutions	% voted on	% With Mgmt	% Against Mgmt	% Abstained
Mercer Growth Fund	74%	97,692	95.7%	82.2%	16.9%	0.9%
Mercer Diversified Retirement Fund	10%	113,434	96.3%	83.7%	15.3%	1.0%
Mercer Passive Overseas Equity (Hedged and Unhedged)	4%	27,464	93.6%	93.7%	6.3%	0.5%
Mercer High Growth	1%	97,692	95.7%	82.2%	16.9%	0.9%
Mercer Passive UK Equity	1%	15,742	97.2%	94.3%	5.8%	1.9%
Mercer Passive Sustainable Global Equity	<1%	14,800	99.4%	80.2%	19.3%	0.5%
Mercer Sustainable Global Equity	<1%	5,622	99.9%	88.9%	9.9%	1.2%



Sample of significant votes

The sample of significant votes highlighted in the next table are for the Mercer Growth fund, the largest fund within the Scheme which accounts for >70% of the Scheme's assets. Many of the funds allocated to within the Mercer Growth fund are used within the Mercer Diversified Retirement fund and other multi-asset funds like the Mercer High Growth fund also and so represent an even greater proportion of Scheme assets. Significance has been determined with focus on shareholder proposals or contentious votes related to the engagement priorities of the Delegated Investment Manager, but where there are a lot of votes the focus has been on the top 20 holdings within the Mercer Growth fund.

Shareholder proposals are important because this is when a specific course of action is recommended or requested by a shareholder (or group of shareholders). It is often the case that a vote in support of a shareholder proposal is a vote against management. A recent

example is a shareholder proposal which resulted in two climate activists being voted to the board of Exxon Mobil, a large oil & gas company.

The 'Vote by Management' and the 'Vote by Manager' highlights whether the company management team and the relevant investment manager voted for (✓) or against (✗) the sample proposals shown below.

Issuer	Date	Vote Category (E,S,G)	Proposal	Vote by manager	Vote by management	Rationale from underlying investment manager
Intel Corp.	04/05/2020	G	Shareholder proposal regarding the Median Gender and Racial Pay Equity Report.	✓	✗	n/a
Walmart Inc	22/05/2020	E	Shareholder proposal regarding report on single-use plastic bags.	✓	✗	n/a
Kroger Co.	10/06/2020	E	Shareholder proposal regarding reporting on the use of non-recyclable packaging.	✓	✗	We will support proposals that seek to promote greater disclosure and transparency in corporate environmental policies as long as: a) the issues are not already effectively dealt with through legislation or regulation; b) the company has not already responded in a sufficient manner; and c) the proposal is not unduly burdensome or overly prescriptive.
Rio Tinto Ltd.	21/04/2020	E	Shareholder proposal regarding Paris-aligned greenhouse gas emissions reduction targets.	✓	✗	We support proposals that require issuers to report information concerning their potential liability from operations that contribute to global warming, their goals in reducing these emissions, their policy on climate risks with specific reduction targets where such targets are not overly restrictive and the degree to which a company is in line with its industry sector's 2 degrees glide path.
Barclays plc	30/04/2020	E	Shareholder proposal regarding climate change strategy	✓	n/a	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.

Issuer	Date	Vote Category (E,S,G)	Proposal	Vote by manager	Vote by management	Rationale from underlying investment manager
Procter & Gamble Co.	12/10/2020	E	Shareholder proposal regarding deforestation report.	✓	✗	<p>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. Two of their Tier 1 suppliers of palm oil were linked to illegal deforestation. Finally, the company uses mainly Programme for the Endorsement of Forest Certification (PEFC) wood pulp rather than Forestry Stewardship Council (FSC) certified wood pulp. Palm oil and Forest Pulp are both considered leading drivers of deforestation and forest degradation, which is responsible for approximately 12.5% of greenhouse gas emissions that contribute to climate change. The fact that Tier 1 suppliers have been found to have links with deforestation calls into question due diligence and supplier audits. Only FSC certification offers guidance on land tenure, workers, communities and indigenous people's rights and the maintenance of high conservation value forests. We engaged with P&G to hear its response to the concerns raised and the requests raised in the resolution. We spoke to representatives from the proponent of the resolution, Green Century. In addition, we engaged with the Natural Resource Defence Counsel to fully understand the issues and concerns. Following a round of extensive engagement on the issue, we decided to support the resolution. Although P&G has introduced a number of objectives and targets to ensure their business does not impact deforestation, we felt it was not doing as much as it could. The company has not responded to CDP Forest Disclosure; this was a red flag to the investment manager in terms of its level of commitment. Deforestation is one of the key drivers of climate change. Therefore, a key priority issue for us is to ensure that companies we invest our clients' assets in are not contributing to deforestation. We have asked P&G to respond to the CDP Forests Disclosure and continue to engage on the topic and push other companies to ensure more of their pulp and wood is from FSC certified sources.</p>

Issuer	Date	Vote Category (E,S,G)	Proposal	Vote by manager	Vote by management	Rationale from underlying investment manager
Amazon.com Inc	21/05/2020	S	Multiple shareholder proposals. Including in relation to human rights impact report.	✓	✗	<p>In addition to facing a full slate of proxy proposals, in the two months leading up to the annual meeting, Amazon was on the front lines of a pandemic response. The company was already on the back foot owing to the harsh workplace practices alleged by the author of a seminal article in the New York Times published in 2015, which depicted a bruising culture. The news of a string of workers catching COVID-19, the company's response, and subsequent details, have all become major news and an important topic for our engagements leading up to the proxy vote. Our team has had multiple engagements with Amazon over the past 12 months. The topics of our engagements touched most aspects of ESG, with an emphasis on social topics:</p> <ul style="list-style-type: none"> • Governance: Separation of CEO and board chair roles, plus the desire for directors to participate in engagement meetings • Environment: Details about the data transparency committed to in their 'Climate Pledge' • Social: Establishment of workplace culture, employee health and safety <p>The allegations from current and former employees are worrying. Amazon employees have consistently reported not feeling safe at work, that paid sick leave is not adequate, and that the company only provides an incentive of \$2 per hour to work during the pandemic. Also cited is an ongoing culture of retaliation, censorship, and fear. We discussed with Amazon the lengths the company is going to in adapting their working environment, with claims of industry leading safety protocols, increased pay, and adjusted absentee policies. However, some of their responses seemed to have backfired. For example, a policy to inform all workers in a facility if COVID-19 is detected has definitely caused increased media attention.</p>

Issuer	Date	Vote Category (E,S,G)	Proposal	Vote by manager	Vote by management	Rationale from underlying investment manager
Yum Brands Inc	27/04/2020	S	Shareholder proposal regarding deforestation and climate impact report.	✓	✗	We will support proposals that seek to promote greater disclosure and transparency in corporate environmental policies as long as: a) the issues are not already effectively dealt with through legislation or regulation; b) the company has not already responded in a sufficient manner; and c) the proposal is not unduly burdensome or overly prescriptive.
Exxon Mobil	22/07/2020	S	Elect Darren W. Woods	✗	✓	The Company has not shown sufficient progress against our defined climate related engagement objectives since the start of dialogue in September 2018.
Olympus Corp.	10/07/2020	S	Elect Yasuo Takeuchi	✗	✓	Japanese companies in general have trailed behind European and US companies, as well as companies in other countries, in ensuring more women are appointed to their boards. The lack of women is also a concern below board level. We have for many years promoted and supported an increase of women on boards, at the executive level and below. On a global level we consider that every board should have at least one female director. We deem this a de minimis standard. Globally, we aspire to all boards comprising 30% women. Last year in February we sent letters to the largest companies in the MSCI Japan which did not have any women on their boards or at executive level, indicating that we expect to see at least one woman on the board. One of the companies targeted was Olympus Corporation. In the beginning of 2020, we announced that we would commence voting against the chair of the nomination committee or the most senior board member (depending on the type of board structure in place) for those companies included in the TOPIX100. We opposed the election of this director in his capacity as a member of the nomination committee and the most senior member of the board, in order to signal that the company needed to take action on this issue.