



# Equality, Diversity and Inclusion Policy

May 2024

Legal & General WorkSave Mastertrust  
Legal & General WorkSave (RAS) Mastertrust



**MASTERTRUST**  
Independent Board of Trustees

This policy sets out our beliefs and our intended approach to embed, develop and monitor equality, diversity and inclusion (EDI) within the Legal & General Mastertrust.

# Why EDI matters to the Trustee Board

To benefit from the broadest range of human talents, attributes, experience and backgrounds, we need to recruit and embrace a diverse Trustee Board, as well as those that support and advise us. This diversity supports good decision making and reduces the risk of groupthink by providing different viewpoints, ideas and challenge. Creating an inclusive culture and ensuring all are effectively involved, valued and supported seeks to ensure that the Scheme benefits from the Board's diversity.

This policy is subject to annual review and takes account of [The Pensions Regulator's emerging guidance](#).

**We look after the pension savings of millions of members in the UK.**

**Reflecting the diverse needs and beliefs of our members is important in all we do, including how we communicate with members and the products and services we have available.**



# Our beliefs

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We believe that having a diverse Trustee Board, Board support functions and advisers are fundamental to making well-rounded and more effective decisions.

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We believe that EDI is a core component of social and governance factors and therefore forms part of financial risk management within ESG.

# Equality, diversity and inclusion in action

We've formed our policy around five individual areas:





# 1. Members

Millions of members save for their retirement within the Mastertrust. We need to ensure that our communications, products and services recognise, respect and take account of their differing needs.

Our approach must remain dynamic so that we can adapt to the changing needs and expectations of our members.

## Communications

We appreciate that members have different needs, and these should be recognised, respected, and accommodated in our communications. Legal & General works with specialists in several fields to identify the best way to make communications accessible. This includes gender neutral language and accessibility requirements for neuro-diverse individuals or those with hearing or sight impairments. We monitor progress by receiving reports from Legal & General and collecting feedback from members.

Legal & General also applies for external accreditation to support its approach. For example, it is currently working with the Royal National Institute of Blind People (RNIB) to improve communications for these groups of members.



## Our actions:

### Member Experience Committee

The Member Experience Committee oversees the inclusivity of member communications, validating Legal & General's approach, including their progress towards external accreditations.

### Investment Committee

The Investment Committee oversees the investment range and considers the inclusivity of the companies that the Scheme invests in, at least every three years in the triennial fund review, or ad hoc as required.

## Trustee Board

The Trustee Board will aim to increase and improve the experience of all members by considering member feedback and surveys collected through the Insight Lab (Legal & General's online feedback community), value for money surveys, and the Mastertrust Employer Group (a regular meeting with participant clients where information is shared, and views are gathered).

## Trustee Board

The Trustee Board will undertake and/or consider ongoing reviews of key issues such as the 'pension gap' among women and minority groups and the inclusivity of investments (for example, the expansion of Sharia-compliant funds).

## 2. The Trustee Board

We believe that having a diverse board is fundamental to making well-rounded and more effective decisions.

We aim to create an inclusive culture, ensuring all are effectively involved, valued and supported and seek to ensure that the Board benefits from its diversity by having a safe environment in which to share and discuss different views.

### Building a diverse and inclusive Board and managing inclusive meetings

All appointments to the Trustee Board are made by the Principal Employer to the Mastertrust, Legal & General Resources Limited, in line with Legal & General's Group Diversity and Inclusion Policy which is available on the Legal & General Group website. The policy is reviewed and approved annually by the Legal & General Group Plc Board and complies with relevant regulatory requirements and best practice.

All appointments to the Board are based on the impartial evaluation of knowledge, skills and experience and will take account of diversity gaps across the membership. Where possible, we will ask Legal & General to use search firms that are signatories to the Voluntary Code of Conduct for Executive Search Firms, which promotes best practice for corporate board searches, including gender and ethnic diversity, and diversity more broadly. The Chair of the Trustee Board oversees compliance with the Trustee's Non-Executive Appointment and Assessment Process as part of each recruitment exercise and in succession planning.

The effectiveness of the Trustee Board is evaluated annually to determine whether it has the appropriate composition, skills, knowledge and experience to discharge its duties and meet future trends in the DC pensions market. This exercise is externally facilitated and provides an opportunity to identify any succession planning considerations.

The output of the annual evaluation is shared with the Board of Legal & General Resources Limited. We continue to develop the annual evaluation questionnaire to ensure that the inclusivity of meeting contributors, and the management of Trustee Board meetings, is considered to encourage balanced contribution, inclusive and candid discussion, and critical thinking.



**In 2023 we undertook the first assessment of the diversity of our Board. The results demonstrated a 50:50 gender balance and some diversity across each area assessed, including age and ethnicity. The initial results will be used to form a benchmark for future assessments.**







## Our actions:

### Board appointments

Board appointments are made in line with Legal & General's diversity and inclusion policy and overseen by the Chair.

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### Women in leadership

We aim to meet the voluntary target of 40% of board and leadership positions being held by women by the end of 2025, as outlined in the FTSE Women Leaders Review (2022). As at September 2023 the Trustee Board has 50% female representation.

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### Monitoring

Completion of an annual board diversity questionnaire to monitor progress.

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### Inclusivity of board meetings

We consider inclusivity of board meetings through our externally facilitated annual board evaluation.

## 3. Board support functions

We recognise our support teams are key providers of insights and guidance upon which the Board takes decisions. It is therefore important to understand how Legal & General recruits and retains a diverse and inclusive workforce.

### Building diverse support functions

We believe that having diverse support functions to the Trustee Board is important as these provide key insights and guidance upon which the Board takes decisions. In addition, certain matters are delegated to Legal & General colleagues to undertake on behalf of the Board.

Legal & General's diversity and inclusion policy sets out its ambitions for fair representation across the organisation. The Board will seek annual updates on Legal & General's progress towards achieving its organisational targets of a 50:50 gender balance across the workforce by 2025 and 17% of the workforce being from minority ethnicity backgrounds by 2027. We will note any change in approach.



Legal & General colleagues that directly support the Mastertrust, and those that sit on our Committees or Board, are included within the scope of the Trustees' annual diversity monitoring questionnaire. The Pension Scheme Management team is provided with anonymised information on colleagues within scope and call out any areas of underrepresentation identified.

### Our actions:

#### The Trustee Board

We will seek an annual update on Legal & General's diversity and inclusion ambitions and progress made against targets.

#### The Trustee Board

The annual board diversity monitoring questionnaire also considers anonymised results from Legal & General colleagues.



## 4. Scheme advisers

We recognise our advisers provide advice and guidance upon which the Board takes decisions. It is therefore important we are aware of these organisations' own ambitions and action plans around equality, diversity and inclusion.

### Our actions:

#### The Pension Scheme Management team

As part of their annual evaluation, the Pension Scheme Management team will request additional information from service providers and suppliers to ensure they have robust and measurable EDI policies and objectives in place. They will discuss any plans to improve their approach.

## 5. Investing

We recognise that the Mastertrust represents a sizeable proportion of UK employees, and that its interests should be aligned with those of the broader public. Therefore, investments that consider these broader interests (including, but not limited to, environmental, social and governance factors) help to manage investment risks and opportunities and seek to better deliver long-term sustainable financial outcomes for members.

Our Investment Committee ensures that the range of investments are inclusive. We review our self-select fund range every three years, or on an ad hoc basis if we identify member needs are not being met.



### Our actions:

#### Investment Committee

The Investment Committee reviews the engagement and voting policies of LGIM<sup>1</sup> twice a year to ensure our investment principles continue to align.

#### Investment Committee

The Investment Committee reviews voting decisions at least annually and will request information throughout the year on significant votes.

#### Member needs and expectations

We will continue to build an understanding of member needs and expectations to support the design of our default funds and wider self-select fund range, by considering scheme demographics and member behaviour as well as consulting with and considering the views of our participant employers and our members.

1. Legal & General Investment Management (LGIM) – a division within Legal & General that manages funds within the scheme and makes day-to-day investment decisions.





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