

Implementation Statement for the A&P Group Pension Scheme

Covering 1 April 2020 to 31 March 2021

1. Background

The Trustees of the A&P Group 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 Scheme’s Statement of Investment Principles (“SIP”) during the previous Scheme year. This statement also includes the details of any reviews of the SIP during the year, any changes that were made and reasons for the changes. This is the first implementation statement produced by the Trustees.

A description of the voting behaviour during the year, either by or on behalf of the Trustees, or if a proxy voter was used, also needs to be included within this statement.

This statement should be read in conjunction with the DB SIP and has been produced in accordance with **The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018** and the subsequent amendment in **The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019**.

A copy of the most recent SIP can be found at:

<https://www.ap-group.co.uk/assets/documents/AP-Group-Pension-Scheme-SIP-September-2020-final-for-website.pdf>

2. Investment Objectives and Activity

The objective of the Scheme is to achieve, over the long term, a return on each Section’s assets which is consistent with the assumptions made by the Scheme Actuary in determining the funding of each Section.

During the year, progress was reviewed on a daily basis as part of the dynamic de-risking trigger monitoring service provided by Capita.

The Falmouth Section introduced an allocation to 2 Emerging Market Multi-Asset Funds to replace their Corporate Bond allocation during the Scheme year and both Sections (A&P Section and Falmouth Section) hit a de-risking trigger during the year and so made the necessary switch. As part of this switch, the Falmouth Section introduced allocations to the LGIM Over 15 Year Gilts Index Fund and the LGIM Over 5 Year Index-Linked Gilts Index Fund.

The SIP was fully reviewed and updated during the period to allow for the introduction the 2 EMMA funds to the Falmouth Section, the completion of the de-risking mechanism, and to incorporate the Trustees’ policy on Environmental, Social and Governance (“ESG”) factors, stewardship and climate change, as required under new regulations.

3. ESG, Stewardship and Climate Change

The Scheme’s DB and SIP includes the Trustees’ policy on Environmental, Social and Governance (“ESG”) factors, stewardship and climate change. This policy sets out the Trustees’ beliefs on ESG and climate change, and the processes followed by the Trustee in relation to voting rights and stewardship. This was last reviewed in September 2020.

The Trustees discussed the ESG and stewardship considerations during the Scheme year and will review these further in the next Scheme year and provide information in the next implementation statement. The Trustees also intend to interrogate the managers' ESG policies including the application of voting rights in the next Scheme year.

4. Voting and Engagement

The Trustees are keen that their managers are signatories of the UK Stewardship Code, all of their managers are current signatories.

The Trustees have elected to invest in pooled funds and cannot, therefore, directly influence the ESG policies, including the day-to-day application of voting rights, of the funds in which they invest. However, the Trustees will consider these policies in all future selections and will deepen their understanding of their existing managers' policies. The Scheme held the following funds at some point over the period 1 April 2020 to 31 March 2021:

A&P Section:

- LGIM Global Equity Fixed Weights (60:40) Index Fund
- Invesco Global Targeted Returns Fund
- BNY Mellon Real Return Fund
- LGIM Active Corporate Bond – Over 10 Year – Fund
- Royal London Asset Management UK Long Corporate Bond Fund
- LGIM Over 15 Year Gilts Index Fund
- BMO Short Profile Nominal Dynamic LDI
- BMO Short Profile Real Dynamic LDI
- LGIM Sterling Liquidity Fund

Falmouth Section:

- LGIM Global Equity Fixed Weights (60:40) Index Fund
- Invesco Global Targeted Returns Fund
- BNY Mellon Real Return Fund
- Capital Group Emerging Markets Total Opportunities Fund
- Ninety One Emerging Markets Multi-Asset Fund
- BMO UK Equity Linked UK Gilt Fund
- BMO Overseas Equity Linked UK Gilt Fund
- LGIM Active Corporate Bond – Over 10 Year – Fund
- LGIM Sterling Liquidity Fund
- LGIM Over 5 Year Index-Linked Gilts Index Fund
- LGIM Over 15 Year Gilts Index Fund
- BMO Short Profile Nominal Dynamic LDI
- BMO Short Profile Real Dynamic LDI

The Trustees were unable to include voting data for the underlined funds as they are predominantly fixed income and do not hold physical equities.

5. Description of investment manager's voting processes

a. BNY Mellon

BNY Mellon describe their voting process as follows:

“Our head of responsible investment (RI) is responsible for the decision-making process of the RI team when reviewing meeting resolutions for contentious issues. We do not maintain a strict proxy voting policy. Instead, we prefer to take into account a company's individual circumstances, our investment rationale and any engagement activities together with relevant governing laws, guidelines and best practices.

Contentious issues may be referred to the appropriate industry analyst for comment and, where relevant, we may confer with the company or other interested parties for further clarification or to reach a compromise or to achieve a commitment from the company.

Voting decisions are approved by either the deputy chief investment officer or a senior investment team member (such as the head of global research). For the avoidance of doubt, all voting decisions are made by Newton.

It is only in the event of a material potential conflict of interest between Newton, the investee company and/or a client that the recommendations of the voting service used (Institutional Shareholder Services, or the ISS) will take precedence.

It is also only in these circumstances when we may register an abstention given our stance of either voting in favour or against any proposed resolutions. The discipline of having to reach a position of voting in favour or against management ensures we do not provide confusing messages to companies.

Research ahead of voting decisions; regional distinction

We employ a variety of research providers that aid us in the vote decision-making process, including proxy advisors such as ISS. We utilise ISS for the purpose of administering proxy voting, as well as its research reports on individual company meetings.

Voting decisions take into account local market best practice, rules and regulations while also supporting our investment rationale. For example, when voting on the election of directors in Japan, we are unlikely to vote against a board chair should the board not be majority independent given that only recently the corporate governance code has recommended boards appoint independent directors. However, in the UK, where majority independent boards are well established and expected by investors, we are likely to vote against the chair and non-independent directors. This being said, we frequently vote against executive pay at US companies despite it being accepted US market practice of granting significant awards of free shares as we believe executive pay should be aligned with performance.”

b. Capital Group

Capital Group describe their voting process as follows:

“All U.S. proxies are voted. Proxies for companies outside the U.S. also are voted, provided there is sufficient time and information available. After a proxy is received, a summary of the proposals contained in the proxy is prepared. A discussion of any potential conflicts of interest also is included

in the summary. For proxies of securities managed by a particular investment division of CRMC, the initial voting recommendation is made by one or more of the division's investment analysts familiar with the company and industry. A second recommendation is made by a proxy coordinator (an investment analyst with experience in corporate governance and proxy voting matters) or other individual within the appropriate investment division, based on knowledge of these Principles and familiarity with proxy related issues. The proxy summary and voting recommendations are made available to the appropriate proxy voting committee for a final voting decision. Proxies for the funds are voted by the appropriate investment committee of CRMC's equity investment divisions under delegated authority. (References to "proxy committees" include the various investment committees.) Therefore, if more than one fund invests in the same company, certain funds may vote differently on the same proposal.

ISS is used for electronic vote execution services only, they do not follow or take into account proxy advisors' vote recommendations in order to reach their own vote decision. Each proxy ballot is reviewed by the Governance and Proxy (GAP) team who facilitate the proxy voting process. They rely primarily on their own proprietary research in evaluating companies. To provide supplementary analysis of resolutions at shareholder meetings, they may review proxy research from third party vendors. However, voting decisions are made according to their internal voting policies and Capital Group Investment Analysts' recommendations, with the final decision being made by the Proxy Voting Committee of the relevant division who oversee the voting process."

c. Invesco

Invesco describe their voting process as follows:

"Invesco views proxy voting as an integral part of its investment management responsibilities. The proxy voting process at Invesco focuses on protecting clients' rights and promoting governance structures and practices that reinforce the accountability of corporate management and boards of directors to shareholders. Voting matters are assessed on a case-by-case basis by Invesco's respective investment professionals considering the unique circumstances affecting companies, regional best practices and our goal of maximizing long-term value creation for our clients. The voting decision lies with our asset managers with input and support from our Global ESG team and Proxy Operations functions. Our portfolio managers review voting items based on their individual merits and retain full discretion on vote execution conducted through our proprietary proxy voting platform. Our proprietary voting platform facilitates implementation of voting decisions and rationales across global investment teams. Our proxy voting philosophy, governance structure and process are designed to ensure that proxy votes are cast in accordance with clients' best interests.

Invesco may supplement its internal research with information from third-parties, such as proxy advisory firms. Globally Invesco leverages research from Institutional Shareholder Services Inc. ("ISS") and Glass Lewis ("GL") and we use the Investment Association IVIS in the UK for research for UK securities. Invesco generally retains full and independent discretion with respect to proxy voting decisions. ISS and GL both provide research reports, including vote recommendations, to Invesco and its asset managers. Invesco also retains ISS to assist with receipt of proxy ballots and vote execution for use through our proprietary voting platform as well as ISS vote disclosure services in Canada, the UK and Europe."

d. LGIM

LGIM's voting and engagement activities are driven by ESG professionals and their assessment of the requirements in these areas seeks to achieve the best outcome for all their clients. Their 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 their 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 their 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.

LGIM's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and they do not outsource any part of the strategic decisions. Their use of ISS recommendations is purely to augment their own research and proprietary ESG assessment tools. The Investment Stewardship team also uses the research reports of Institutional Voting Information Services (IVIS) to supplement the research reports that they receive from ISS for UK companies when making specific voting decisions.

To ensure their proxy provider votes in accordance with their position on ESG, they have put in place a custom voting policy with specific voting instructions. These instructions apply to all markets globally and seek to uphold what they consider are minimum best practice standards which they believe all companies globally should observe, irrespective of local regulation or practice.

They retain the ability in all markets to override any vote decisions, which are based on their custom voting policy. This may happen where engagement with a specific company has provided additional information (for example from direct engagement, or explanation in the annual report) that allows them to apply a qualitative overlay to their voting judgement. They have strict monitoring controls to ensure their votes are fully and effectively executed in accordance with their voting policies by their service provider. This includes a regular manual check of the votes input into the platform, and an electronic alert service to inform them of rejected votes which require further action.

It is vital that the proxy voting service are regularly monitored and LGIM do this through quarterly due diligence meetings with ISS. Representatives from a range of departments attend these meetings, including the client relationship manager, research manager and custom voting manager. The meetings have a standing agenda, which includes setting out their expectations, an analysis of any issues they have experienced when voting during the previous quarter, the quality of the ISS

research delivered, general service level, personnel changes, the management of any potential conflicts of interest and a review of the effectiveness of the monitoring process and voting statistics. The meetings will also review any action points arising from the previous quarterly meeting. LGIM has its own internal Risk Management System (RMS) to provide effective oversight of key processes. This includes LGIM's voting activities and related client reporting. If an item is not confirmed as completed on RMS, the issue is escalated to line managers and senior directors within the organisation. On a weekly basis, senior members of the Investment Stewardship team confirm on LGIM's internal RMS that votes have been cast correctly on the voting platform and record any issues experienced. This is then reviewed by the Director of Investment Stewardship who confirms the votes have been cast correctly on a monthly basis. Annually, as part of their formal RMS processes the Director of Investment Stewardship confirms that a formal review of LGIM's proxy provider has been conducted and that they have the capacity and competency to analyse proxy issues and make impartial recommendations.

e. Ninety One

Ninety One describe their voting process as follows:

“Ninety One recognises that local best practice codes may differ: although our proxy voting guidelines apply globally, we recognise regional differences. In markets where the codes are still evolving and not yet fully aligned with global best practice, we take this into account. In these markets, we aim to engage actively with policy makers, regulators and stock exchanges, together with other global and local investors, to address the more critical potential shortcomings. Furthermore, we consider the size and maturity of each individual business, and if deemed appropriate, we may take a more pragmatic approach while remaining actively engaged. The overall proxy voting guidelines rest within our broader stewardship policy framework. They focus on the following five principles whereby Ninety One: 1. Will disclose how it discharges its stewardship duties through publicly available policies and reporting. 2. Will address the internal governance of effective stewardship, including conflicts of interest and potential obstacles. 3. Will support a long-term investment perspective by integrating, engaging, escalating and monitoring material Environmental, Social and Governance (ESG) issues. 4. Will exercise its ownership rights responsibly, including engagement and voting rights. 5. Is, where appropriate, willing to act alongside other investors. The voting guidelines in this document apply across all our holdings as allowed by legal arrangements. Some clients may have their own policy which differs from that of Ninety One. In this situation, clients are expected to opt out of Ninety One's stewardship policy, so that an alternative system can be put in place that accommodates the client's own guidelines. Ninety One publicly discloses its voting decisions on a quarterly basis on our website. (www.ninetyone.com/en/investment-expertise/stewardship/proxy-voting-results).”

6. Summary of voting behaviour over the year

a. BNY Mellon

A summary of BNY Mellon's voting behaviour over the period is provided in the table below.

	Summary Info
Manager name	BNY Mellon
Fund name	Real Return Fund
Approximate value of trustees' assets as at 31 March 2021	c.£2.3m – A&P Section c.£5.3m – Falmouth Section
Number of equity holdings in the fund	91
Number of meetings eligible to vote	98
Number of resolutions eligible to vote	1307
% of resolutions voted	99.2%
% of resolutions voted with management	85.4%
% of resolutions voted against management	14.6%
% of resolutions abstained	0%
% of meetings with at least one vote against managements	38%
% of resolutions voted contrary to the proxy adviser recommendation	9.9%

b. Capital Group

A summary of Capital Group's voting behaviour over the period is provided in the table below.

	Summary Info
Manager name	Capital Group
Fund name	Emerging Markets Total Opportunities (Lux) Fund
Approximate value of trustees' assets as at 31 March 2021	c.£4.5m – Falmouth Section
Number of equity holdings in the fund	113
Number of meetings eligible to vote	154
Number of resolutions eligible to vote	1542
% of resolutions voted	100%
% of resolutions voted with management	88.39%
% of resolutions voted against management	8.04%
% of resolutions abstained	3.57%
% of meetings with at least one vote against managements	33.77%
% of resolutions voted contrary to the proxy adviser recommendation	n/a

c. Invesco

A summary of Invesco's voting behaviour over the period is provided in the table below:

	Summary Info
Manager name	Invesco
Fund name	Global Targeted Returns Fund (UK)
Approximate value of trustees' assets as at 31 March 2021	c.£2.3m – A&P Section c.£5.3m – Falmouth Section
Number of equity holdings in the fund	313
Number of meetings eligible to vote	365
Number of resolutions eligible to vote	5332
% of resolutions voted	98.35%
% of resolutions voted with management	94.45%
% of resolutions voted against management	5.55%
% of resolutions abstained	0.53%
% of meetings with at least one vote against managements	33.06%
% of resolutions voted contrary to the proxy adviser recommendation	3.45%

d. LGIM

A summary of LGIM's voting behaviour over the period is provided in the table below:

	Summary Info
Manager name	Legal & General Investment Management
Fund name	Global Equity Fixed Weights (60:40) Index Fund
Approximate value of trustees' assets as at 31 March 2021	c.£2.3m – A&P Section c.£14.5m – Falmouth Section
Number of equity holdings in the fund	2858
Number of meetings eligible to vote	3641
Number of resolutions eligible to vote	44680
% of resolutions voted	99.97%
% of resolutions voted with management	83.56%
% of resolutions voted against management	16.29%
% of resolutions abstained	0.15%
% of meetings with at least one vote against managements	5.46%
% of resolutions voted contrary to the proxy adviser recommendation	0.44%

e. Ninety One

	Summary Info
Manager name	Ninety One
Fund name	Emerging Markets Multi-Asset Fund
Approximate value of trustees' assets as at 31 March 2021	c.£4.4m – Falmouth Section
Number of meetings eligible to vote	113
Number of resolutions eligible to vote	1092
% of resolutions voted	92.49%
% of resolutions voted with management	86.83%
% of resolutions voted against management	7.52%
% of resolutions abstained	5.64%
% of meetings with at least one vote against managements	43.36%
% of resolutions voted contrary to the proxy adviser recommendation	6%

7. Most Significant votes over the year

a. BNY Mellon

BNY Mellon define their process for determining the “most significant” votes as follows:

“We regard material issues as all votes against management, including where we support shareholder resolutions that the company’s management are recommending voting against. As active managers, we invest in companies that we believe will support the long term performance objectives of our clients. By doing so, we are making a positive statement about the business, the management of risks and the quality of management. Voting against management, therefore, is a strong statement that we think there are areas for improvement. As such, by not supporting management, we think that this is material, which is different to a passive investor where there is no automatic assumption of a positive intent in ownership. As such, we report publicly our rationale for each instance where we have voted against the recommendation of the underlying company’s management. At the fund level, we consider each instance of voting against management to be significant but if required to prioritise these instances, we take an objective approach that includes the fund’s weighting in each security. This reflects our investment process and ensures the prioritised list includes those instances that could be most impactful to the long term value to the fund as well as those that may have an immediate impact to the fund.”

b. Capital Group

Capital consider significant votes to be:

- All votes against management
- All shareholder proposals
- Particularly controversial proposals determined on a case by case basis
- Activities that are best representative of our companies stewardship policies

c. Invesco

Invesco define their process for determining the “most significant” votes as follows:

“Invesco’s investor-led proxy voting approach ensures that each meeting is voted in the firm’s clients’ best interests and each proposal, both management and shareholder, is considered in light of the risk and materiality to the portfolios. As part of the firm’s Shareholder Rights Directive II implementation, the following criteria are used when determining whether a voting item is significant; (i) materiality of the position, (ii) the content of the resolution and (iii) inclusion on Invesco’s ESG watchlist.”

d. LGIM

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 they continue to help their clients in fulfilling their reporting obligations. LGIM also believe public transparency of their vote activity is critical for their clients and interested parties to hold LGIM to account.

For many years, LGIM has regularly produced case studies and/or summaries of LGIM’s vote positions to clients for what they deemed were ‘material votes’. LGIM are evolving their approach in line with the new regulation and are committed to provide their 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 consultation (PLSA). 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 LGIM 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.

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

Given the similar holdings within each of the funds with their respective currency hedged version of the funds, significant votes cast in each fund were the same for both unhedged and hedged fund versions.

e. Ninety One

Ninety One describes these as votes with significant client, media or political interest, material holdings, those of a thematic nature (i.e., climate change) and significant corporate transactions that have a material impact on future company performance, for example approval of a merger, etc.

An example of a significant vote over the period for the BNY Mellon Real Return Fund

Company name	LEG Immobilien AG
Date of vote	19-Aug-20
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	1.31
Summary of the resolution	Remuneration policy
How you voted	AGAINST
Where you voted against management, did you communicate your intent to the company ahead of the vote?	No
Rationale for the voting decision	We voted against the proposed pay arrangements on account of their lack of alignment with performance. The executive Long-term compensation scheme was entirely cash-based, and although this was indicated to be performance-linked, no disclosures were provided on performance targets. With targets not being disclosed, we were concerned that long-term awards could vest for below-median poor performance. Furthermore, the introduction of special remuneration awards through transaction-based bonuses were not considered to be ideal for promoting talent retention. due to these generally being one-off in nature
Outcome of the vote	22.2% AGAINST Approve Remuneration Policy
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	The vote outcome is considered significant owing to more than 20% of votes being instructed against its approval. It is likely that the company will seek to address concerns in an effort to avoid similar or higher future dissent.
On which criteria have you assessed this vote to be "most significant"?	We believe investor scrutiny of pay arrangements is increasing. The significance of the high vote against is important to note given that a majority of pay proposals from companies rarely see such high levels of dissent.

An example of a significant vote over the period for the Capital Group Emerging Markets Total Opportunities (Lux) Fund

Company name	CCR SA
Date of vote	09/04/2020
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	
Summary of the resolution	Fix Number of Directors at 13
How you voted	Against Management
Where you voted against management, did you communicate your intent to the company ahead of the vote?	We communicate our votes against management via meetings, emails or conference calls. We aim to inform companies in advance of our intention of voting against management recommendation, when the company have made contact with us via pre AGM consultations expressing the importance of the resolution. Our communication outlines the resolution which we are opposing and the rationale for our voting decision, highlighting our voting policy and any areas of focus which may have driven the recommendation. If we are unable to communicate with companies ahead of the AGM, we may incorporate this feedback into future engagements with the company.
Rationale for the voting decision	Increase in Board size is not justified.
Outcome of the vote	Proposal Approved
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	We will continue to engage with the company regarding our vote rationale, in order to provide better outcomes for shareholders.
On which criteria have you assessed this vote to be "most significant"?	Vote Against Management

An example of a significant vote over the period for the Invesco Global Targeted Returns Fund (UK)

Company name	Citigroup Inc.
Date of vote	21-Apr-2020
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	>1% IVZ Ownership
Summary of the resolution	Report on Lobbying Payments and Policy
How you voted	Voted In line with Management recommendations
Where you voted against management, did you communicate your intent to the company ahead of the vote?	Na
Rationale for the voting decision	A vote AGAINST this resolution is warranted, as the company is disclosing adequate information for shareholders to be able to assess its engagement in the political process and its management of related risks.
Outcome of the vote	PASS
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	Na
On which criteria have you assessed this vote to be "most significant"?	>1% IVZ Ownership and Includes Key ESG proposal

An example of a significant vote over the period for the LGIM Global Equity Fixed Weights (60:40)

Index Fund

Company name	Qantas Airways Limited
Date of vote	23-Oct-20
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	
Summary of the resolution	Resolution 3 Approve participation of Alan Joyce in the Long-Term Incentive Plan Resolution 4 Approve Remuneration Report.
How you voted	LGIM voted against resolution 3 and supported resolution 4.
Where you voted against management, did you communicate your intent to the company ahead of the vote?	Given our engagement, LGIM's Investment Stewardship team communicated the voting decision directly to the company before the AGM and provided feedback to the remuneration committee.
Rationale for the voting decision	The COVID crisis has had an impact on the Australian airline company's financials. In light of this, the company raised significant capital to be able to execute its recovery plan. It also cancelled dividends, terminated employees and accepted government assistance. The circumstances triggered extra scrutiny from LGIM as we wanted to ensure the impact of the COVID crisis on the company's stakeholders was appropriately reflected in the executive pay package. In collaboration with our Active Equities team, LGIM's Investment Stewardship team engaged with the Head of Investor Relations of the company to express our concerns and understand the company's views. The voting decision ultimately sat with the Investment Stewardship team. We supported the remuneration report (resolution 4) given the executive salary cuts, short-term incentive cancellations and the CEO's voluntary decision to defer the vesting of the long-term incentive plan (LTIP), in light of the pandemic. However, our concerns as to the quantum of the 2021 LTIP grant remained, especially given the share price at the date of the grant and the remuneration committee not being able to exercise discretion on LTIPs, which is against best practice. We voted against resolution 3 to signal our concerns.
Outcome of the vote	About 90% of shareholders supported resolution 3 and 91% supported resolution 4. The meeting results highlight LGIM's stronger stance on the topic of executive remuneration, in our view.
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	We will continue our engagement with the company.
On which criteria (as explained in the cover email) have you assessed this vote to be "most significant"?	It highlights the challenges of factoring in the impact of the COVID situation into the executive remuneration package.

An example of a significant vote over the period for the Ninety One Emerging Markets Multi-Asset Fund

Company name	China Construction Bank Corporation
Date of vote	19-Jun-20
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	
Summary of the resolution	Approve Charitable Donations
How you voted	For
Where you voted against management, did you communicate your intent to the company ahead of the vote?	We voted with management
Rationale for the voting decision	There is no element of concerns for this proposal.
Outcome of the vote	Not available on Proxy Insight
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	
On which criteria have you assessed this vote to be "most significant"?	Thematic Vote - Social resolution