

# St. Austell Brewery Company Limited Retirement Benefits Plan Implementation Statement for the year ended 31 December

## Purpose

---

This Implementation Statement provides information on how, and the extent to which, the Trustees of the St. Austell Brewery Company Limited Retirement Benefits Plan (“the Plan”) have followed the policies documented in their Statement of Investment Principles (“SIP”) during the year ended 31 December (“the reporting year”). In addition, the statement provides a summary of the voting behaviour and most significant votes cast during the reporting year.

## Latest review of the Statement of Investment Principles

---

During the reporting year, the Plan’s SIP was reviewed and amended from 30 September 2020. This review was initiated due to new regulations which took effect from 1 October 2020 which required Trustees of all plans to update their Statement of Investment Principles to include the following:

- > Additional information on the Trustees’ policy in relation to:
  - The exercise of rights (including voting rights) attaching to investments; and
  - The undertaking of engagement activities in respect of the investments (e.g. the approach to monitoring investment managers over how they take into account performance, strategy, capital structure, management of actual or potential conflicts of interest and ESG issues in relation to issuers of debt or equity).
  
- > The Trustees’ policy relating to arrangements with asset managers, including how the following matters are set out:
  - Incentives for asset managers to align their investment strategy and decisions with the Trustees’ investment policies;
  - Incentives for asset managers to make decisions based on medium to long term financial and non-financial performance assessments of an issuer of debt or equity and to engage with the issuer in order to improve performance over the medium to long term;
  - How the method and time horizon of the evaluation of an asset manager’s performance and the remuneration for their services are in line with the Trustees’ investment policies;
  - The monitoring of “portfolio turnover costs” incurred by the asset manager and how the trustees define and monitor targeted portfolio or turnover range; and
  - The duration of the arrangement with the asset manager.

## Investment related activity

---

### **Asset allocations**

In understanding that asset allocation plays an important role in achieving investment objectives and good member outcomes, the Trustees monitor the asset allocation of the Plan to ensure that these are in line with the current investment objectives.

The Trustees are required to review the strategy of the default investment arrangements offered by the Plan at least every three years or immediately following any significant change in investment policy. During the reporting year, there have been no changes to the asset allocations.

### **Manager selections**

One of the main ways in which ESG and climate change related risks are taken into consideration is through manager selection exercises: the Trustees seek advice from XPS on the extent to which their views on ESG and climate change risks may be taken into account in any future investment manager selection exercises. During the reporting year, there have been no such manager selection exercises.

### **CMA Objectives**

Objectives were put in place for XPS Investment Limited, in line with the 10 June 2019 CMA Order which required Trustees to set objectives for existing and new investment consultant appointments from 10 December 2019, in order to receive investment advice after that date.

### **Ongoing governance**

The Trustees, with the assistance of XPS, monitor the processes and operational behaviour of the investment managers from time to time, to ensure they remain appropriate and in line with the Trustees' requirements as set out in this statement. Further, the Trustees have set XPS the objective of ensuring that any selected managers reflect the Trustees' views on ESG (including climate change) and stewardship.

Beyond the governance work currently undertaken, the Trustees believe that their approach to, and policy on, ESG matters will evolve over time based on developments within the industry and, at least partly, on a review of data relating to the voting and engagement activity conducted annually.

The Trustees meet twice a year to discuss the investment matters and receive investment monitoring reports from XPS on performance on a quarterly basis. In addition to quarterly monitoring, the Trustees receive a monthly valuation report.

### **New policies**

The Trustees believe that there can be financially material risks relating to ESG issues. The Trustees have delegated the ongoing monitoring and management of ESG risks and those related to climate change to the Plan's investment managers. The Trustees require the Plan's investment managers to take ESG and climate change risks into consideration within their decision-making, recognising that how they do this will be dependent on factors including the characteristics of the asset classes in which they invest. In pooled funds the Trustees have limited influence over the managers' investment practices, particularly in relation to those pooled funds which are designed to track an index where the choice of the index dictates the assets held by the manager.

The Trustees have delegated responsibility for the exercise of rights (including voting rights) attached to the Plan's investments to the investment managers and encourage them to engage with investee companies and vote whenever it is practical to do so on financially material matters including those deemed to include a material ESG and/or climate change risk in relation to those investments. Furthermore, the Trustees revert to the investment manager's approach when determining vote significance unless stated otherwise.

The Trustees will seek advice from the Investment Adviser on the extent to which its views on ESG and climate change risks may be considered in any future investment manager selection exercises.

### The Trustees' investment policies

The Trustees had various investment policies for the Plan on the topics listed in the table below; the table also provides commentary on how and the extent to which the various policies were followed during the reporting year.

<b>Policy</b>	<b>How the policy was followed<sup>1</sup></b>	<b>The extent to which the policy was followed<sup>2</sup></b>
<p><b>Kinds of investments to be held</b></p> <p>DB Section: The Trustees' policy is to invest in equity funds, multi-asset funds, property fund, bond funds, credit funds, cash funds and company shares.</p> <p>DC Section: The Trustees have agreed with the Company to maintain a policy of offering equity funds, multi-asset funds, multi-asset funds, property fund, bond funds, credit funds and a cash fund.</p>	<p>The range of investment options available incorporates both real and monetary assets. The self-select range includes options in all the asset classes in the policy.</p>	<p>The Trustees are satisfied that they followed the policy in full.</p>
<p><b>Balance between different investments</b></p> <p>The amounts allocated to any individual asset class will be influenced by the choices made by the members.</p> <p>The Trustees' policy is to ensure that the investment options made available to members hold a suitably diversified range of securities, avoiding an undue concentration of assets.</p>	<p>Members' choices were maintained throughout the year.</p>	<p>The Trustees are satisfied that the policy has been followed in respect of all investment options available to members.</p>
<p><b>Risks (measurement and management)</b></p>	<p>The range of investment options made available to members includes bond funds, a cash fund and a property fund.</p>	<p>The Trustees are satisfied that they followed the policy in full although market volatility also impacted non-equity orientated funds due to the Covid-19 pandemic in March 2020.</p>

<p>The Trustees have several policies in respect of risk management and measurement.</p>	<p>The Trustees receive quarterly reporting from XPS Pensions Group.</p>	<p>The Trustees have only partially followed this policy as reporting does not cover the managers' approach to risk or provide the Trustees with the underlying exposures to monitor any unintended risk being taken.</p>
<p><b>Expected return</b></p> <p>DC Plan: The Trustees' policy is to make available a range of investment funds with different risk-reward characteristics that will allow members to maintain the real value of their fund.</p> <p>DB Plan: The Trustees aim to hold a portfolio of assets that will achieve returns in excess of the investment return indicated in the Statement of Funding Principles without exposing the Plan to excessive risk.</p>	<p>The Trustees made a range of investment options available to members which include lifestyle funds. Standalone funds are also available for members who want to take more or less risk.</p> <p>The DB Plan is invested in a range of growth and matching assets to deliver investment returns in a risk-controlled way.</p>	<p>The Trustees are satisfied that they followed the policy in full over the reporting period.</p>
<p><b>ESG</b></p> <p>The Trustees' policy is to delegate the ongoing monitoring and management of ESG risks and those related to climate change to the Plan's Investment Managers.</p>	<p>The Investment Managers have responsibility for the ongoing monitoring and management of ESG risks and those related to climate change.</p>	<p>The Trustees are satisfied that it followed the policy in full over the period.</p>
<p><b>Non-financial matters</b></p> <p>The Trustees' policy is to act in the best interests of the beneficiaries of the Plan when selecting, retaining or realising investments. It has neither sought nor taken into account the beneficiaries' views on risks including (but not limited to) ethical, social and environmental issues</p>	<p>The Trustees seek professional advice in relation to the management of the assets of the Plan to ensure any decisions it makes are in the best interests of Plan's beneficiaries.</p>	<p>The Trustees are satisfied that they followed the policy in full in relation to the investment decisions it took over the period.</p>
<p><b>Voting rights</b></p> <p>The Trustees have delegated responsibility for the exercise of rights (including voting rights) attached to the Plan's investments to the investment managers</p>	<p>The underlying investment managers vote in accordance with their internal voting policies.</p>	<p>The Trustees are satisfied that it followed the policy in full over the period.</p>

<p><b>Stewardship/relationship with managers</b></p> <p>The Trustees' policy is to encourage investment managers to engage with investee companies and vote whenever it is practical to do so on financially material matters including those deemed to include a material ESG and/or climate change risk in relation to those investments.</p>	<p>The Trustees have yet to engage in any meaningful way with the investment managers.</p>	<p>The Trustees acknowledge that the policy has not been followed during the reporting year.</p>
---	--	--

### Voting activity

The main asset class where the investment managers will have voting rights is equities. The Plan has specific allocations to public equities, in UK and overseas market. Investments in equities will also form part of the strategy for the multi-asset funds in which the Plan invests. A summary of the voting behaviour and most significant votes cast by each of the investment manager organisations for the relevant funds is shown below.

The Plan currently has primary exposure to equities through seven equity funds, BlackRock Core UK Equity Fund, BlackRock UK Equity Select Fund, L&G Overseas Equity Consensus Index Fund, LGIM Global Equity (70:30) Fund, LGIM UK Equity Fund, Schroders Global Equity Fund and Schroders UK Equity Fund. The Plan has exposure to four multi-asset funds, including LGIM Multi-Asset (Formerly Consensus) Fund, Invesco Global Targeted Returns Fund, Schroders Diversified Growth Fund and Schroders Dynamic Multi-Asset Fund which as part of their investment strategies, hold a portion of equity

### DB assets

#### Blackrock Investment Management

#### Fund Information

<p><b>BlackRock Core UK Equity Fund</b></p>
<p style="text-align: center;">BlackRock's Investment Stewardship 2020 priorities are:</p> <ul style="list-style-type: none"> <li>• Board Quality – quality leadership is essential to performance. Hence, board composition, effectiveness, diversity, and accountability remain a top priority             <ul style="list-style-type: none"> <li>• Environmental Risks and Opportunities - disclosure provides enhanced understanding of board and management oversight of policies, risk factors and opportunities that drive sustainable long-term financial performance</li> </ul> </li> <li>• Corporate strategy &amp; Capital Allocation - a clear articulation of corporate strategy and capital allocation provide a clear sense of the direction a company intends to take</li> <li>• Compensation that promotes long-termism - executive pay policies and outcomes should link closely to long-term strategy, goals, and performance</li> <li>• Human capital management - in a talent constrained environment, companies should focus on sound business practices that create an engaged and stable workforce</li> </ul>

BlackRock's Investment Stewardship team (BIS) engages with portfolio companies to encourage corporate governance and business practices aligned with sustainable long-term financial performance. The team is comprised of more than 45 professionals across the world (with team members in New York, San Francisco, London, Tokyo, Singapore, Hong Kong, and Sydney), taking a local approach with companies while benefiting from global insights. BIS is positioned within the firm as an investment function. As such, they work closely with BlackRock's active portfolio management teams. Core tenets of good governance — board oversight, minority shareholder rights, and management quality — are desirable qualities for all investors and can be a differentiating factor for equity and debt investors' decision-making.

BIS emphasises direct dialogue with companies on governance issues that have a material impact on financial performance. BlackRock seek to engage in a constructive manner and ask probing questions, but BlackRock do not tell companies what to do. Where BlackRock believe a company's governance or business practices fall short, they explain their concerns and expectations. As a long-term investor, BlackRock are willing to be patient with companies when their engagement affirms, they are working to address their concerns. However, when BlackRock do not see progress despite ongoing engagement, or companies are insufficiently responsive to their efforts to protect the long-term financial interests of their clients, BlackRock may signal their concern by voting against management. BlackRock believe that when a company is not effectively addressing a material issue, its directors should be held accountable.

The manager voted on 98.8% of resolutions of which they were eligible out of 2,417 eligible votes.

### Investment Manager Client Consultation Policy on Voting

BlackRock are committed to providing transparency into how BlackRock conduct investment stewardship activities in support of long-term sustainable performance for their clients. As part of their commitment to clients, BlackRock are enhancing their disclosures in 2020. Key steps towards increased transparency include 1) moving from annual to quarterly voting disclosure, 2) prompt disclosure around key votes including an explanation of their voting decisions, and 3) enhanced disclosure of their company engagements.

Each year, BlackRock prioritise their work around engagement themes that they believe will encourage sound governance practices and deliver sustainable long-term financial performance for their clients. BlackRock's Engagement Priorities for 2020 represent a continuation and evolution of themes identified over the past several years. BlackRock hope that highlighting their priorities will help company boards and management prepare for engagement with the Investment Stewardship team and provide clients with insight into how they are conducting engagement and voting activities on their behalf. Some governance issues, like board quality and performance, have long been core components of the Investment Stewardship team's work. Other Engagement Priorities evolve over time and are informed by regulatory and market developments. In 2020, BlackRock are putting an increased focus on sustainability-related issues and relevant disclosures, given the growing impact of these issues on long-term value creation. They are also mapping their engagement priorities to specific United Nations Sustainable Development Goals, such as Gender Equality and Clean and Affordable Energy, and providing a high level, globally relevant Key Performance Indicator (KPI) for each Priority so companies are aware of BlackRock's expectations.

### Investment Manager Process to determine how to Vote

The team and its voting and engagement work continuously evolves in response to changing governance related developments and expectations. BlackRock's voting guidelines are market-specific to ensure they take into account a company's unique circumstances by market, where relevant. BlackRock inform their vote decisions through research and engage as necessary. BlackRock's engagement priorities are global in nature and are informed by BlackRock's observations of governance related and market developments, as well as through dialogue with multiple stakeholders, including clients. BlackRock may also update their regional engagement priorities based on issues that they believe could impact the long-term sustainable financial performance of companies in those markets. BlackRock welcome discussions with their clients on engagement and voting topics and priorities to get their perspective and better understand which issues are important to them. As outlined in their Global Corporate Governance and Engagement Principles, BlackRock determines which companies to engage directly based on their assessment of the materiality of the issue for sustainable long-term financial returns and the likelihood of their engagement being productive. BlackRock's voting guidelines are intended to help clients and companies understand their thinking on key governance matters. BlackRock are the benchmark against which they assess a company's approach to corporate governance and the items on the agenda to be voted on at the shareholder meeting. BlackRock apply their guidelines pragmatically, taking into account a company's unique circumstances where relevant. BlackRock inform their vote decisions through research and engage as necessary. If a client wants to implement their own voting policy, they will need to be in a segregated account. BlackRock's Investment Stewardship team would not implement the policy themselves, but the client would engage a third-party voting execution platform to cast the votes.

### How does this manager determine what constitutes a 'Significant' Vote?

During the period 1 July 2019 to 30 June 2020, BlackRock Investment Stewardship periodically published detailed explanations of specific key votes in "vote bulletins". These bulletins are intended to explain their vote decision, including the analysis underpinning it and relevant engagement history when applicable, on certain high-profile proposals at company shareholder meetings. BlackRock make this information public shortly after the shareholder meeting, so clients and others can be aware of their vote determination when it is most relevant to them. BlackRock consider these vote bulletins to contain explanations of the most significant votes for the purpose of the Shareholder Rights Directive II.

### Top 2 Significant Votes during the Period

Company	Voting Subject	How did the Investment Manager Vote?	Result
Royal Dutch Shell plc	Request Shell to set and publish targets for Greenhouse Gas (GHG) emissions	BIS voted AGAINST the shareholder resolution	Since the submission of the shareholder proposal, Shell has updated its climate commitments to more

			aggressively reduce its carbon footprint, and to become a "net-zero emissions energy business" by 2050 or sooner
<p>BIS believes that as companies face material climate risks, they must demonstrate that management have assessed how climate may impact operations and determined an appropriate business strategy. As BlackRock describe in the commentaries on the Approach to Engagement on Climate Risk and Emissions, Engagement, and Transition to a Low-Carbon Economy, BlackRock expect robust disclosures of climate-related risks and opportunities in line with the recommendations of the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-related Financial Disclosures (TCFD). Greater transparency will contribute to improved market-level data, better engagements with shareholders, and more informed voting decisions aligned with long-term value creation.</p>			
Barclays Plc	Resolution 30: Approve Share Action Requisitioned Resolution	BlackRock, through an independent fiduciary voted AGAINST shareholder Resolution 30	Blackrock has not disclosed the outcome of this vote
<p>The independent fiduciary reported that it took into consideration several factors when voting against the shareholder resolution (Resolution 30). Support for this resolution would have been problematic.</p>			

**Fund Information**

<b>BlackRock UK Equity Select Fund</b>
<p>BlackRock's Investment Stewardship 2020 priorities are:</p> <ul style="list-style-type: none"> <li>• Board Quality – quality leadership is essential to performance. Hence, board composition, effectiveness, diversity, and accountability remain a top priority             <ul style="list-style-type: none"> <li>• Environmental Risks and Opportunities - disclosure provides enhanced understanding of board and management oversight of policies, risk factors and opportunities that drive sustainable long-term financial performance</li> </ul> </li> <li>• Corporate strategy &amp; Capital Allocation - a clear articulation of corporate strategy and capital allocation provide a clear sense of the direction a company intends to take</li> <li>• Compensation that promotes long-termism - executive pay policies and outcomes should link closely to long-term strategy, goals, and performance</li> <li>• Human capital management - in a talent constrained environment, companies should focus on sound business practices that create an engaged and stable workforce</li> </ul> <p>BlackRock's Investment Stewardship team (BIS) engages with portfolio companies to encourage corporate governance and business practices aligned with sustainable long-term financial performance. The team is comprised of more than 45 professionals across the world (with team members in New York, San Francisco, London, Tokyo, Singapore, Hong Kong, and Sydney), taking a local approach with companies</p>

while benefiting from global insights. BIS is positioned within the firm as an investment function. As such, they work closely with BlackRock's active portfolio management teams. Core tenets of good governance — board oversight, minority shareholder rights, and management quality — are desirable qualities for all investors and can be a differentiating factor for equity and debt investors' decision-making.

BIS emphasises direct dialogue with companies on governance issues that have a material impact on financial performance. BlackRock seek to engage in a constructive manner and ask probing questions, but BlackRock do not tell companies what to do. Where BlackRock believe a company's governance or business practices fall short, they explain their concerns and expectations. As a long-term investor, BlackRock are willing to be patient with companies when their engagement affirms, they are working to address their concerns. However, when BlackRock do not see progress despite ongoing engagement, or companies are insufficiently responsive to their efforts to protect the long-term financial interests of their clients, BlackRock may signal their concern by voting against management. BlackRock believe that when a company is not effectively addressing a material issue, its directors should be held accountable.

The manager voted on 98.8% of resolutions of which they were eligible out of 2,400 eligible votes.

### Investment Manager Client Consultation Policy on Voting

BlackRock are committed to providing transparency into how BlackRock conduct investment stewardship activities in support of long-term sustainable performance for their clients. As part of their commitment to clients, BlackRock are enhancing their disclosures in 2020. Key steps towards increased transparency include 1) moving from annual to quarterly voting disclosure, 2) prompt disclosure around key votes including an explanation of their voting decisions, and 3) enhanced disclosure of their company engagements.

Each year, BlackRock prioritise their work around engagement themes that they believe will encourage sound governance practices and deliver sustainable long-term financial performance for their clients. BlackRock's Engagement Priorities for 2020 represent a continuation and evolution of themes identified over the past several years. BlackRock hope that highlighting their priorities will help company boards and management prepare for engagement with the Investment Stewardship team and provide clients with insight into how they are conducting engagement and voting activities on their behalf. Some governance issues, like board quality and performance, have long been core components of the Investment Stewardship team's work. Other Engagement Priorities evolve over time and are informed by regulatory and market developments. In 2020, BlackRock are putting an increased focus on sustainability-related issues and relevant disclosures, given the growing impact of these issues on long-term value creation. They are also mapping their engagement priorities to specific United Nations Sustainable Development Goals, such as Gender Equality and Clean and Affordable Energy, and providing a high level, globally relevant Key Performance Indicator (KPI) for each Priority so companies are aware of BlackRock's expectations.

### Investment Manager Process to determine how to Vote

The team and its voting and engagement work continuously evolves in response to changing governance related developments and expectations. BlackRock's voting guidelines are market-specific to ensure they

take into account a company's unique circumstances by market, where relevant. BlackRock inform their vote decisions through research and engage as necessary. BlackRock's engagement priorities are global in nature and are informed by BlackRock's observations of governance related and market developments, as well as through dialogue with multiple stakeholders, including clients. BlackRock may also update their regional engagement priorities based on issues that they believe could impact the long-term sustainable financial performance of companies in those markets. BlackRock welcome discussions with their clients on engagement and voting topics and priorities to get their perspective and better understand which issues are important to them. As outlined in their Global Corporate Governance and Engagement Principles, BlackRock determines which companies to engage directly based on their assessment of the materiality of the issue for sustainable long-term financial returns and the likelihood of their engagement being productive. BlackRock's voting guidelines are intended to help clients and companies understand their thinking on key governance matters. BlackRock are the benchmark against which they assess a company's approach to corporate governance and the items on the agenda to be voted on at the shareholder meeting. BlackRock apply their guidelines pragmatically, taking into account a company's unique circumstances where relevant. BlackRock inform their vote decisions through research and engage as necessary. If a client wants to implement their own voting policy, they will need to be in a segregated account. BlackRock's Investment Stewardship team would not implement the policy themselves, but the client would engage a third-party voting execution platform to cast the votes.

#### How does this manager determine what constitutes a 'Significant' Vote?

During the period 1 July 2019 to 30 June 2020, BlackRock Investment Stewardship periodically published detailed explanations of specific key votes in "vote bulletins". These bulletins are intended to explain their vote decision, including the analysis underpinning it and relevant engagement history when applicable, on certain high-profile proposals at company shareholder meetings. BlackRock make this information public shortly after the shareholder meeting, so clients and others can be aware of their vote determination when it is most relevant to them. BlackRock consider these vote bulletins to contain explanations of the most significant votes for the purpose of the Shareholder Rights Directive II.

#### Top 2 Significant Votes during the Period

Company	Voting Subject	How did the Investment Manager Vote?	Result
Royal Dutch Shell plc	Request Shell to set and publish targets for Greenhouse Gas (GHG) emissions	BIS voted AGAINST the shareholder resolution	Since the submission of the shareholder proposal, Shell has updated its climate commitments to more aggressively reduce its carbon footprint, and to become a "net-zero emissions energy business" by 2050 or sooner

BIS believes that as companies face material climate risks, they must demonstrate that management have assessed how climate may impact operations and determined an appropriate business strategy. As BlackRock describe in the commentaries on BlackRock’s Approach to Engagement on Climate Risk and Emissions, Engagement, and Transition to a Low-Carbon Economy, BlackRock expect robust disclosures of climate-related risks and opportunities in line with the recommendations of the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-related Financial Disclosures (TCFD). Greater transparency will contribute to improved market-level data, better engagements with shareholders, and more informed voting decisions aligned with long-term value creation.

Barclays Plc	Resolution 30: Approve Share Action Requisitioned Resolution	BlackRock, through an independent fiduciary voted AGAINST shareholder Resolution 30	Blackrock has not disclosed the outcome of this vote
--------------	--	---	--

The independent fiduciary reported that it took into consideration several factors when voting against the shareholder resolution (Resolution 30). Support for this resolution would have been problematic.

### Legal and General Investment Management

#### Voting Information

##### LGIM Overseas Equity Consensus Index Fund

The fund manager has not provided stewardship code data at present

The manager voted on 99.6% of resolutions of which they were eligible out of 65,050 eligible votes.

#### Investment Manager Client Consultation Policy on Voting

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

#### Investment Manager Process to determine how to Vote

All decisions are made by their 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.

### How does this manager determine what constitutes a 'Significant' Vote?

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 LGIM 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 their vote positions to clients for what LGIM 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, their 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 their 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.

If you have any additional questions on specific votes, please note that LGIM publicly disclose their votes for the major markets on their website. The reports are published in a timely manner, at the end of each month and can be used by clients for their external reporting requirements. The voting disclosures can be found by selecting 'Voting Report' on the following page:

[http://documentlibrary.lgim.com/litlibrary/lglibrary\\_463150.html?req=internal](http://documentlibrary.lgim.com/litlibrary/lglibrary_463150.html?req=internal)

### Top 5 Significant Votes during the Period

Company	Voting Subject	How did the Investment Manager Vote?	Result
Medtronic plc	Resolution 3 - Advisory Vote to Ratify Named Executive Officers' Compensation	LGIM voted against the resolution	The voting outcome was as follows: For: 91.73%; against: 8.23%

LGIM will continue to monitor this company.			
Olympus Corporation	Resolution 3.1: Elect Director Takeuchi, Yasuo' at the company's annual shareholder meeting held on 30 July 2020	LGIM voted against the resolution	94.90% of shareholders supported the election of the director
LGIM will continue to engage with and require increased diversity on all Japanese company boards.			
Fast Retailing Co. Limited.	Resolution 2.1: Elect Director Yanai Tadashi	LGIM voted against the resolution	Shareholders supported the election of the director
LGIM will continue to engage with and require increased diversity on all Japanese company boards, including Fast Retailing.			
Cardinal Health	Resolution 3, Advisory Vote to Ratify Named Executive Officers' Compensation.	LGIM voted against the resolution.	The resolution encountered a significant amount of oppose votes from shareholders, with 38.6% voting against the resolution and 61.4% supporting the proposal
LGIM continues to engage with US companies on their pay structures and has published specific pay principles for US companies			
ExxonMobil	Resolution 1.10 - Elect Director Darren W. Woods	LGIM voted against the resolution.	LGIM believe this sends an important signal, and will continue to engage, both individually and in collaboration with other investors, to push for change at the company. their voting intentions were the subject of over 40 articles in major news outlets across

			the world, including Reuters, Bloomberg, Les Échos and Nikkei, with a number of asset owners in Europe and North America also declaring their intentions to vote against the company.
93.2% of shareholders supported the re-election of the combined chair and CEO Darren Woods. Approximately 30% of shareholders supported the proposals for independence and lobbying. (Source: ISS data)			

Invesco Asset Management Limited

Voting Information

Invesco Global Targeted Returns Fund

The fund manager has not provided a stewardship code data at present.

The manager voted on 98.0% of resolutions of which they were eligible out of 5,035 eligible votes.

Investment Manager Client Consultation Policy on Voting

Invesco has adopted a clear and considered stewardship policy aligned with its responsibility as a shareholder on behalf of all its investors. For more information regarding their stewardship and engagement activities please refer to their 2019 Environmental, Social and Governance Investment Stewardship Report by visiting their website: <https://www.invesco.com/corporate/about-us/esg>. The proxy voting process at Invesco, which is driven by investment professionals, focuses on maximizing long-term value for their clients, protecting clients' rights and promoting governance structures and practices that reinforce the accountability of corporate management and boards of directors to shareholders. All of their activities are aimed at enhancing and protecting the value of their investments for their clients. Invesco takes a nuanced approach to voting, therefore, many matters to be voted upon are reviewed on a case by case basis as each investment team makes independent voting decisions based on criteria that may be important to their investment approach. Their proxy voting process is designed to ensure that proxy votes are cast in accordance with the best interests of all clients.

Investment Manager Process to determine how to Vote

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 their respective investment professionals considering the unique circumstances affecting companies, regional best practices, and their goal of maximizing long-term value creation for their clients. The voting decision lies with their asset managers with input and support from their Global ESG team and Proxy Operations functions. Their portfolio managers review voting items based on their individual merits and retain full discretion on vote execution conducted through their proprietary proxy voting platform. Their proprietary voting platform facilitates implementation of voting decisions and rationales across global investment teams. Their proxy voting philosophy, governance structure and process are designed to ensure that proxy votes are cast in accordance with clients' best interests.

### How does this manager determine what constitutes a 'Significant' Vote?

Their 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 their ESG watchlist.

### Top 5 Significant Votes during the Period

Company	Voting Subject	How did the Investment Manager Vote?	Result
AerCap Holdings NV	Authorize Board to Exclude Pre-emptive Rights from Share Issuances Under Item 9.a	In line with Management Recommendations	Pass
A vote FOR this proposal is warranted because it is in line with commonly used safeguards regarding volume and duration.			
ASM International NV	Authorize Board to Exclude Pre-emptive Rights from Share Issuances	In line with Management Recommendations	Pass
A vote FOR this proposal is warranted because it is in line with commonly used safeguards regarding volume and duration.			
Edenred SA	Approve Issuance of Equity or Equity-Linked Securities for Qualified Investors, up to Aggregate Nominal Amount of EUR 24,320,485	In line with Management Recommendations	Pass

<p>Votes FOR the authorizations under Item 18 is warranted as their proposed volumes respect the recommended guidelines for issuances with and without pre-emptive rights</p>			
Intertrust NV	<p>Authorize Board to Exclude Pre-emptive Rights from Share Issuances Under Item 8.a</p>	<p>In line with Management Recommendations</p>	<p>Pass</p>
<p>The board is currently elected according to a plurality voting standard. Majority voting raises the threshold for re-election and therefore greater accountability. For these reasons Invesco chose to support the shareholder proposal</p>			
Signify NV	<p>Authorize Board to Exclude Pre-emptive Rights from Share Issuances</p>	<p>In line with Management Recommendations</p>	<p>Pass</p>
<p>A vote FOR this proposal is warranted because it is in line with commonly used safeguards regarding volume and duration</p>			

Schroders Investment Management Limited

Voting Information

Schroders Diversified Growth Fund

The fund manager has not provided a stewardship code data at present.

The manager voted on 88.8% of resolutions of which they were eligible out of 134 eligible votes.

Investment Manager Client Consultation Policy on Voting

In order to maintain the necessary flexibility to meet client needs, local offices at Schroders may determine a voting policy regarding the securities for which they are responsible, subject to agreement with clients as appropriate, and/or addressing local market issues. Clients in the UK will need to contact their usual client services person(s) on whether this is available for the type of investment(s) they hold with Schroders.

Investment Manager Process to determine how to Vote

Schroders evaluate voting issues arising at their investee companies and, where they have the authority to do so, vote on them in line with their fiduciary responsibilities in what Schroders deem to be the interests of their clients. Schroders utilise company engagement, internal research, investor views and governance expertise to confirm their intention. Further information can be found in their Environmental, Social and Governance Policy for Listed Assets policy: <https://www.schroders.com/en/sysglobalassets/global-assets/english/campaign/sustainability/integrity-documents/schroders-esg-policy.pdf>

### How does this manager determine what constitutes a 'Significant' Vote?

Schroders consider "most significant" votes as those against company management.

Schroders are not afraid to oppose management if they believe that doing so is in the best interests of shareholders and their clients. For example, if Schroders believe a proposal diminishes shareholder rights or if remuneration incentives are not aligned with the company's long-term performance and creation of shareholder value. Such votes against will typically follow an engagement and they will inform the company of their intention to vote against before the meeting, along with their rationale. Where there have been ongoing and significant areas of concerns with a company's performance, Schroders may choose to vote against individuals on the board.

However, as active fund managers Schroders usually look to support the management of the companies that they invest in. Where Schroders do not do this, they classify the vote as significant and will disclose the reason behind this to the company and the public.

### Does the manager utilise a Proxy Voting System? If so, please detail

Schroders receive research from both ISS and the Investment Association's Institutional Voting Information Services (IVIS) for upcoming general meetings, however this is only one component that feeds into their voting decisions. In addition to relying on their policies, Schroders will also be informed by company reporting, company engagements, country specific policies, engagements with stakeholders and the views of portfolio managers and analysts.

It is important to stress that Schroders own research is also integral to their final voting decision; this will be conducted by both their financial and ESG analysts. For contentious issues, their Corporate Governance specialists will be in deep dialogue with the relevant analysts and portfolio managers to seek their view and better understand the corporate context.

Schroders continue to review their voting practices and policies during their ongoing dialogue with their portfolio managers. This has led Schroders to raise the bar on what they consider 'good governance practice.'

Top 4 Significant Votes during the Period

Company	Voting Subject	How did the Investment Manager Vote?	Result
SSgA SPDR ETFs Europe I plc - SPDR BloomBarclays Emerging Markets Local Bd UCITS	Transact Other Business	Against Management	Voted against Company Management
Other business not disclosed			
William Lyon Homes	Advisory Vote on Golden Parachutes	Against Management	Voted against Company Management
Schroders are not supportive of golden parachutes			
Johnson Controls International plc	Advisory Vote to Ratify Named Executive Officers' Compensation	Against Management	Voted against Company Management
Sizable CIC-related severance payments made in 2019			
Toll Brothers, Inc.	Advisory Vote to Ratify Named Executive Officers' Compensation	Against Management	Voted against Company Management

**DC assets**

Legal and General Investment Management

Fund Information

LGIM Global Equity (70:30) Fund

The fund manager has not provided stewardship code data at present

The manager voted on 99.7% of resolutions of which they were eligible out of 77,223 eligible votes.

### Investment Manager Client Consultation Policy on Voting

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

### Investment Manager Process to determine how to Vote

All decisions are made by their 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.

### How does this manager determine what constitutes a 'Significant' Vote?

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 LGIM 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 their vote positions to clients for what LGIM 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, their 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 their 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.

If you have any additional questions on specific votes, please note that LGIM publicly disclose their votes for the major markets on their website. The reports are published in a timely manner, at the end of each month and can be used by clients for their external reporting requirements. The voting disclosures can be found by selecting 'Voting Report' on the following page:

[http://documentlibrary.lgim.com/litlibrary/lglibrary\\_463150.html?req=internal](http://documentlibrary.lgim.com/litlibrary/lglibrary_463150.html?req=internal)

### Top 5 Significant Votes during the Period

Company	Voting Subject	How did the Investment Manager Vote?	Result
Qantas Airways Limited	Resolution 3- Approve participation of Alan Joyce in the Long-Term Incentive Plan	LGIM voted against resolution 3	About 90% of shareholders supported resolution 3 and 91% supported resolution 4. The meeting results highlight their stronger stance on the topic of executive remuneration, in their view.
LGIM will continue to engage with the company.			
International Consolidated Airlines Group	Resolution 8: Approve Remuneration Report' was proposed at the company's annual shareholder meeting held on 7 September 2020.	LGIM voted against the resolution.	28.4% of shareholders opposed the remuneration report.
LGIM will continue to engage closely with the renewed board.			
Pearson	'Resolution 1: Amend remuneration policy' was proposed at the company's special shareholder meeting, held on 18 September 2020.	LGIM voted against the amendment to the remuneration policy.	At the EGM, 33% of shareholders voted against the co-investment plan and therefore, by default, the appointment of the new CEO.

Such significant dissent clearly demonstrates the scale of investor concern with the company's approach. It is important that the company has a new CEO, a crucial step in the journey to recover value; but key governance questions remain which will now need to be addressed through continuous engagement.

SIG plc.	'Resolution 5: Approve one-off payment to Steve Francis' proposed at the company's special shareholder meeting held on 9 July 2020.	LGIM voted against the resolution.	The resolution passed. However, 44% of shareholders did not support it. LGIM believe that with this level of dissent the company should not go ahead with the payment.
LGIM intend to engage with the company over the coming year to find out why this payment was deemed appropriate and whether they made the payment despite the significant opposition.			
Medtronic plc	Resolution 3 - Advisory Vote to Ratify Named Executive Officers' Compensation.	LGIM voted against the resolution.	The voting outcome was as follows: For: 91.73%; against: 8.23%.
LGIM will continue to monitor this company.			

### Fund Information

LGIM Multi-Asset Fund (Formerly Consensus) Fund

The fund manager has not provided stewardship code data at present

The manager voted on 99.5% of resolutions of which they were eligible out of 111,503 eligible votes.

### Investment Manager Client Consultation Policy on Voting

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

### Investment Manager Process to determine how to Vote

All decisions are made by their 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.

### How does this manager determine what constitutes a 'Significant' Vote?

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 LGIM 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 their vote positions to clients for what LGIM 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, their 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 their 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.

If you have any additional questions on specific votes, please note that LGIM publicly disclose their votes for the major markets on their website. The reports are published in a timely manner, at the end of each month and can be used by clients for their external reporting requirements. The voting disclosures can be found by selecting 'Voting Report' on the following page:

[http://documentlibrary.lgim.com/litlibrary/lglibrary\\_463150.html?req=internal](http://documentlibrary.lgim.com/litlibrary/lglibrary_463150.html?req=internal)

### Top 5 Significant Votes during the Period

Company	Voting Subject	How did the Investment Manager Vote?	Result
International Consolidated Airlines Group	Resolution 8: Approve Remuneration Report' was proposed at the company's annual shareholder meeting	LGIM voted against the resolution	28.4% of shareholders opposed the remuneration report

	held on 7 September 2020		
LGIM will continue to engage closely with the renewed board			
SIG plc.	'Resolution 5: Approve one-off payment to Steve Francis' proposed at the company's special shareholder meeting held on 9 July 2020	LGIM voted against the resolution	The resolution passed. However, 44% of shareholders did not support it. LGIM believe that with this level of dissent the company should not go ahead with the payment
LGIM intend to engage with the company over the coming year to find out why this payment was deemed appropriate and whether they made the payment despite the significant opposition.			
Pearson	'Resolution 1: Amend remuneration policy' was proposed at the company's special shareholder meeting, held on 18 September 2020.	LGIM voted against the amendment to the remuneration policy.	At the EGM, 33% of shareholders voted against the co-investment plan and therefore, by default, the appointment of the new CEO.
Such significant dissent clearly demonstrates the scale of investor concern with the company's approach. It is important that the company has a new CEO, a crucial step in the journey to recover value; but key governance questions remain which will now need to be addressed through continuous engagement.			
Medtronic plc	Resolution 3 - Advisory Vote to Ratify Named Executive Officers' Compensation.	LGIM voted against the resolution.	The voting outcome was as follows: For: 91.73%; against: 8.23%.
LGIM will continue to monitor this company.			
Plus500 Ltd.	'Resolution 17: Approve Special Bonus Payment to CFO Elad Even-Chen' at the company's special shareholder meeting held on 16 September 2020.	LGIM voted against the special bonus based on the belief that such transaction bonuses do not align with the achievement of pre-set targets. Separately, LGIM also voted against an amendment to the company's remuneration policy, which continues to allow for the flexibility to make one-off	Given the level of shareholder dissent, Resolution 17 was withdrawn ahead of the AGM, while all the other resolutions were passed. The company stated that: 'The board and the remuneration committee consider that a bonus is appropriate given the outstanding efforts of [the CFO]. As such, Plus500 intends to again propose the resolution

		awards and offers long-term incentives that remain outside best market practice in terms of long-term performance alignment.	for shareholder approval at the EGM to cover 2021 director pay (as is required under Israeli law).
LGIM will continue to monitor the company.			

Schroders Investment Management Limited

Voting Information

Schroders Global Equity Fund

The fund manager has not provided a stewardship code data at present.

The manager voted on 94.3% of resolutions of which they were eligible out of 7,314 eligible votes.

Investment Manager Client Consultation Policy on Voting

In order to maintain the necessary flexibility to meet client needs, local offices at Schroders may determine a voting policy regarding the securities for which they are responsible, subject to agreement with clients as appropriate, and/or addressing local market issues. Clients in the UK will need to contact their usual client services person(s) on whether this is available for the type of investment(s) they hold with Schroders.

Investment Manager Process to determine how to Vote

Schroders evaluate voting issues arising at their investee companies and, where they have the authority to do so, vote on them in line with their fiduciary responsibilities in what Schroders deem to be the interests of their clients. Schroders utilise company engagement, internal research, investor views and governance expertise to confirm their intention. Further information can be found in their Environmental, Social and Governance Policy for Listed Assets policy: <https://www.schroders.com/en/sysglobalassets/global-assets/english/campaign/sustainability/integrity-documents/schroders-esg-policy.pdf>

How does this manager determine what constitutes a 'Significant' Vote?

Schroders consider "most significant" votes as those against company management.

Schroders are not afraid to oppose management if they believe that doing so is in the best interests of shareholders and their clients. For example, if Schroders believe a proposal diminishes shareholder rights or if remuneration incentives are not aligned with the company's long-term performance and creation of shareholder value. Such votes against will typically follow an engagement and they will inform the company of their intention to vote against before the meeting, along with their rationale. Where there have been ongoing and significant areas of concerns with a company's performance, Schroders may choose to vote against individuals on the board.

However, as active fund managers Schroders usually look to support the management of the companies that they invest in. Where Schroders do not do this, they classify the vote as significant and will disclose the reason behind this to the company and the public.

Does the manager utilise a Proxy Voting System? If so, please detail

Schroders receive research from both ISS and the Investment Association's Institutional Voting Information Services (IVIS) for upcoming general meetings, however this is only one component that feeds into their voting decisions. In addition to relying on their policies, Schroders will also be informed by company reporting, company engagements, country specific policies, engagements with stakeholders and the views of portfolio managers and analysts.

It is important to stress that Schroders own research is also integral to their final voting decision; this will be conducted by both their financial and ESG analysts. For contentious issues, their Corporate Governance specialists will be in deep dialogue with the relevant analysts and portfolio managers to seek their view and better understand the corporate context.

Schroders continue to review their voting practices and policies during their ongoing dialogue with their portfolio managers. This has led Schroders to raise the bar on what they consider 'good governance practice.'

Top 5 Significant Votes during the Period

Company	Voting Subject	How did the Investment Manager Vote?	Result
---------	----------------	--------------------------------------	--------

SGS SA	Approve Fixed Remuneration of Executive Committee in the Amount of CHF 14 Million	Against Management	Voted against Company Management
Represents a potential 20% increase to level paid in 2019, which is unwarranted in Schroders view.			
Bouygues SA	Authorize Board to Issue Free Warrants with Preemptive Rights During a Public Tender Offer	Against Management	Voted against Company Management
Can be used for antitakeover purposes.			
Endesa SA	Amend Articles of General Meeting Regulations Re: Minimum Number of Shares to Attend and Remote and Electronic Participation	Against Management	Voted against Company Management
Not supportive of unequal treatment amongst shareholders			
REA Group Limited	Approve Issuance of 12,541 Performance Rights to Owen Wilson under the Recovery Incentive Plan	Against Management	Voted against Company Management
An excessive 50 percent of this grant is linked to undisclosed strategic objectives raising concerns for excessive board discretion when 'strategy' is regarded as part of the 'day job' of the CEO.			
Qualicorp Consultoria e Corretora de Seguros SA	Re-Ratify Remuneration of Company's Management Approved at the April 30, 2020 AGM	Against Management	Voted against Company Management
Lack of disclosure around the extensive severance payment and changes to the accounting of equity compensation.			

### Voting Information

#### Schroders UK Equity Fund

The fund manager has not provided a stewardship code data at present.

The manager voted on 98.3% of resolutions of which they were eligible out of 901 eligible votes.

Investment Manager Client Consultation Policy on Voting

In order to maintain the necessary flexibility to meet client needs, local offices at Schroders may determine a voting policy regarding the securities for which they are responsible, subject to agreement with clients as appropriate, and/or addressing local market issues. Clients in the UK will need to contact their usual client services person(s) on whether this is available for the type of investment(s) they hold with Schroders.

### Investment Manager Process to determine how to Vote

Schroders evaluate voting issues arising at their investee companies and, where they have the authority to do so, vote on them in line with their fiduciary responsibilities in what Schroders deem to be the interests of their clients. Schroders utilise company engagement, internal research, investor views and governance expertise to confirm their intention. Further information can be found in their Environmental, Social and Governance Policy for Listed Assets policy: <https://www.schroders.com/en/sysglobalassets/global-assets/english/campaign/sustainability/integrity-documents/schroders-esg-policy.pdf>

### How does this manager determine what constitutes a 'Significant' Vote?

Schroders consider "most significant" votes as those against company management.

Schroders are not afraid to oppose management if they believe that doing so is in the best interests of shareholders and their clients. For example, if Schroders believe a proposal diminishes shareholder rights or if remuneration incentives are not aligned with the company's long-term performance and creation of shareholder value. Such votes against will typically follow an engagement and they will inform the company of their intention to vote against before the meeting, along with their rationale. Where there have been ongoing and significant areas of concerns with a company's performance, Schroders may choose to vote against individuals on the board.

However, as active fund managers Schroders usually look to support the management of the companies that they invest in. Where Schroders do not do this, they classify the vote as significant and will disclose the reason behind this to the company and the public.

### Does the manager utilise a Proxy Voting System? If so, please detail

Schroders receive research from both ISS and the Investment Association's Institutional Voting Information Services (IVIS) for upcoming general meetings, however this is only one component that feeds into their voting decisions. In addition to relying on their policies, Schroders will also be informed by company reporting, company engagements, country specific policies, engagements with stakeholders and the views of portfolio managers and analysts.

It is important to stress that Schroders own research is also integral to their final voting decision; this will be conducted by both their financial and ESG analysts. For contentious issues, their Corporate Governance specialists will be in deep dialogue with the relevant analysts and portfolio managers to seek their view and better understand the corporate context.

Schroders continue to review their voting practices and policies during their ongoing dialogue with their portfolio managers. This has led Schroders to raise the bar on what they consider 'good governance practice.'

### Top 5 Significant Votes during the Period

Company	Voting Subject	How did the Investment Manager Vote?	Result
easyJet Plc	Approve Remuneration Report	Against Management	Voted against Company Management
Continued increase in CEO pay			
Aggreko Plc	Approve Remuneration Report	Against Management	Voted against Company Management
EPS growth accounts for 80 percent of the annual bonus framework and 50% of the LTIP, which raises concerns that Directors are rewarded twice for the same performance.			
Sanofi	Approve Compensation of Olivier Brandicourt, CEO Until Aug. 31, 2019	Against Management	Voted against Company Management
The deemed ten-year service under the defined-benefit pension scheme granted to new CEO upon his arrival at the company was a practice lying well below market standards			
Vodafone Group Plc		Against Management	

	Approve Remuneration Policy		Voted against Company Management
Poor disclosure, targets lack specific stretch high potential single figure.			
Ashmore Group Plc	Approve Remuneration Policy	Against Management	Voted against Company Management
Concerns about linkage between pay and performance. The company uses uncapped short- and long-term variable pay			

### Voting Information

Schroders Diversified Growth Fund

The fund manager has not provided a stewardship code data at present.

The manager voted on 88.8% of resolutions of which they were eligible out of 134 eligible votes.

### Investment Manager Client Consultation Policy on Voting

In order to maintain the necessary flexibility to meet client needs, local offices at Schroders may determine a voting policy regarding the securities for which they are responsible, subject to agreement with clients as appropriate, and/or addressing local market issues. Clients in the UK will need to contact their usual client services person(s) on whether this is available for the type of investment(s) they hold with Schroders.

### Investment Manager Process to determine how to Vote

Schroders evaluate voting issues arising at their investee companies and, where they have the authority to do so, vote on them in line with their fiduciary responsibilities in what Schroders deem to be the interests of their clients. Schroders utilise company engagement, internal research, investor views and governance expertise to confirm their intention. Further information can be found in their Environmental, Social and Governance Policy for Listed Assets policy: <https://www.schroders.com/en/sysglobalassets/global-assets/english/campaign/sustainability/integrity-documents/schroders-esg-policy.pdf>

How does this manager determine what constitutes a 'Significant' Vote?

Schroders consider "most significant" votes as those against company management.

Schroders are not afraid to oppose management if they believe that doing so is in the best interests of shareholders and their clients. For example, if Schroders believe a proposal diminishes shareholder rights or if remuneration incentives are not aligned with the company's long-term performance and creation of shareholder value. Such votes against will typically follow an engagement and they will inform the company of their intention to vote against before the meeting, along with their rationale. Where there have been ongoing and significant areas of concerns with a company's performance, Schroders may choose to vote against individuals on the board.

However, as active fund managers Schroders usually look to support the management of the companies that they invest in. Where Schroders do not do this, they classify the vote as significant and will disclose the reason behind this to the company and the public.

Does the manager utilise a Proxy Voting System? If so, please detail

Schroders receive research from both ISS and the Investment Association's Institutional Voting Information Services (IVIS) for upcoming general meetings, however this is only one component that feeds into their voting decisions. In addition to relying on their policies, Schroders will also be informed by company reporting, company engagements, country specific policies, engagements with stakeholders and the views of portfolio managers and analysts.

It is important to stress that Schroders own research is also integral to their final voting decision; this will be conducted by both their financial and ESG analysts. For contentious issues, their Corporate Governance specialists will be in deep dialogue with the relevant analysts and portfolio managers to seek their view and better understand the corporate context.

Schroders continue to review their voting practices and policies during their ongoing dialogue with their portfolio managers. This has led Schroders to raise the bar on what they consider 'good governance practice.'

Top 4 Significant Votes during the Period

Company	Voting Subject	How did the Investment Manager Vote?	Result
	Transact Other Business	Against Management	

SSgA SPDR ETFs Europe I plc - SPDR Bloom Barclays Emerging Markets Local Bd UCITS			Voted against Company Management
Other business not disclosed.			
William Lyon Homes	Advisory Vote on Golden Parachutes	Against Management	Voted against Company Management
Schroders are not supportive of golden parachutes.			
Johnson Controls International plc	Advisory Vote to Ratify Named Executive Officers' Compensation	Against Management	Voted against Company Management
Sizable CIC-related severance payments made in 2019.			
Toll Brothers, Inc.	Advisory Vote to Ratify Named Executive Officers' Compensation	Against Management	Voted against Company Management

### Fund Information

#### Schroders Dynamic Multi-Asset Fund

The fund currently occupies Tier 1 of the stewardship code.

The manager voted on 85.8% of resolutions of which they were eligible out of 127 eligible votes.

### Investment Manager Client Consultation Policy on Voting

In order to maintain the necessary flexibility to meet client needs, local offices at Schroders may determine a voting policy regarding the securities for which they are responsible, subject to agreement with clients as appropriate, and/or addressing local market issues. Clients in the UK will need to contact their usual client services person(s) on whether this is available for the type of investment(s) they hold with Schroders.

### Investment Manager Process to determine how to Vote

Schroders evaluate voting issues arising at their investee companies and, where they have the authority to do so, vote on them in line with their fiduciary responsibilities in what Schroders deem to be the interests of their clients. Schroders utilise company engagement, internal research, investor views and governance

expertise to confirm their intention. Further information can be found in their Environmental, Social and Governance Policy for Listed Assets policy: <https://www.schroders.com/en/sysglobalassets/global-assets/english/campaign/sustainability/integrity-documents/schroders-esg-policy.pdf>

### How does this manager determine what constitutes a 'Significant' Vote?

Schroders consider "most significant" votes as those against company management.

Schroders are not afraid to oppose management if they believe that doing so is in the best interests of shareholders and their clients. For example, if Schroders believe a proposal diminishes shareholder rights or if remuneration incentives are not aligned with the company's long-term performance and creation of shareholder value. Such votes against will typically follow an engagement and they will inform the company of their intention to vote against before the meeting, along with their rationale. Where there have been ongoing and significant areas of concerns with a company's performance, Schroders may choose to vote against individuals on the board.

However, as active fund managers Schroders usually look to support the management of the companies that they invest in. Where Schroders do not do this, they classify the vote as significant and will disclose the reason behind this to the company and the public.

### Top 3 Significant Votes during the Period

Company	Voting Subject	How did the Investment Manager Vote?	Result
William Lyon Homes	Advisory Vote on Golden Parachutes	Against	Voted against Company Management
Schroders are not supportive of golden parachutes.			
Johnson Controls International plc	Advisory Vote to Ratify Named Executive Officers' Compensation	Against	Voted against Company Management
Sizable CIC-related severance payments made in 2019			
Toll Brothers, Inc.	Advisory Vote to Ratify Named Executive Officers' Compensation	Against	Voted against Company Management

Signed: \_\_\_\_\_, Chair of Trustees

Date: \_\_\_\_\_