

# The Pension Plan of Seiko U.K. Limited

## Implementation Statement for the year ending 30 June 2020

This is the Implementation Statement prepared by the Trustee of the Pension Plan of Seiko U.K. Limited (“the Plan”) and sets out:

- How the Trustee’s policies on exercising rights (including voting rights) and engagement have been followed over the year.
- The voting behaviour of the Trustee, or that undertaken on their behalf, over the year to 30 June 2020.

### How voting and engagement policies have been followed

The Plan invests entirely in pooled funds, and as such, the responsibility for carrying out voting and engagement activities have been delegated to the Plan’s fund managers.

Through preparation of the Implementation Statement, the Trustee has reviewed the stewardship and engagement activities of their investment managers during the year and were satisfied that the policies followed by the managers were reasonable and in alignment with the Trustee’s own policies. No remedial action was required during the period.

### Voting undertaken on behalf of the Trustee

Voting only applies to equities held in the portfolio. The Plan’s equity investments are held through pooled funds, and as such the investment managers of these funds vote on behalf of the Trustee.

The table below provides a summary of the voting activity undertaken by each manager during the year to 30 June 2020.

Manager	AXA	Baillie Gifford	Baillie Gifford	BNY Mellon
<b>Fund name</b>	Managed Balanced Fund	Managed Fund	Multi Asset Growth Fund	Multi Asset Diversified Return Fund
<b>Structure</b>	Pooled	Pooled	Pooled	Pooled
<b>Does manager vote at a fund level or at a firm-wide level?</b>	Fund	Fund	Fund	Fund
<b>Ability to influence voting behaviour of manager</b>	The pooled fund structure means that there is limited scope for the Trustee to influence the manager’s voting behaviour.			
<b>Does manager use proxy voting services?</b>	AXA take the advice of proxy voting services ISS, IVIS and Proxinvest.	Baillie Gifford take the advice of proxy voting services ISS and Glass Lewis.	Baillie Gifford take the advice of proxy voting services ISS and Glass Lewis.	BNY Mellon take the advice of proxy voting service ISS.
<b>Number of company meetings the manager was eligible to vote at over the year</b>	173	208	51	118

Manager	AXA	Baillie Gifford	Baillie Gifford	BNY Mellon
<b>Number of resolutions the manager was eligible to vote on over the year</b>	2,615	2,687	579	1,476
<b>% of eligible resolutions the manager voted on over the year</b>	98.2%	100%	93.09%	100%
<b>% of resolutions voted <i>with</i> management, as a percentage of the total number of resolutions voted on</b>	93.2%	96.28%	92.95%	86%
<b>% of resolutions voted <i>against</i> management, as a percentage of the total number of resolutions voted on</b>	6.6%	2.57%	6.86%	14%
<b>% of resolutions abstained from, as a percentage of total number of resolutions voted on</b>	0.2%	1.15%	0.19%	0%

Manager	BNY Mellon	Invesco	LGIM	Vanguard
<b>Fund name</b>	Multi Asset Global Balanced Fund	Global Targeted Returns Fund	Multi Asset Fund	FTSE UK Equity Income Index Fund
<b>Structure</b>	Pooled	Pooled	Pooled	Pooled
<b>Does manager vote at a fund level or at a firm-wide level?</b>	Fund	Fund	Fund	Firm-wide
<b>Ability to influence voting behaviour of manager</b>	The pooled fund structure means that there is limited scope for the Trustee to influence the manager's voting behaviour.			
<b>Does manager use proxy voting services?</b>	BNY Mellon take the advice of proxy voting service ISS.	Invesco take the advice of proxy voting services ISS and Glass Lewis.	LGIM take the advice of proxy voting service ISS.	Vanguard take the advice of proxy voting services ISS and Glass Lewis.
<b>Number of company meetings the manager was eligible to vote at over the year</b>	63	310	7,862	149
<b>Number of resolutions the</b>	1,028	4,544	83,258	2,662

Manager	BNY Mellon	Invesco	LGIM	Vanguard
manager was eligible to vote on over the year				
% of eligible resolutions the manager voted on over the year	98.7%	98.22%	98.78%	100%
% of resolutions voted <i>with</i> management, as a percentage of the total number of resolutions voted on	86.1%	93.55%	80.99%	99.59%
% of resolutions voted <i>against</i> management, as a percentage of the total number of resolutions voted on	13.9%	6.45%	18.76%	0.41%
% of resolutions abstained from, as a percentage of total number of resolutions voted on	0%	0%	0.26%	0%

## Significant votes

### AXA, Managed Balanced Fund

AXA have provided the following summary of three votes that they consider to be significant for the Fund:

	Vote 1	Vote 2	Vote 3
<b>Company name</b>	LVMH Moet Hennessy Louis Vuitton SE	Fortum Oyj	Amazon.com, Inc.
<b>Date of vote</b>	30/06/2020	23/04/2020	27/05/2020
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	0.3%	0.4%	0.8%
<b>Summary of the resolution</b>	Approve Auditors' Special Report on Related-Party Transactions	Shareholder proposal to Include Paris Agreement 1.5-degree Celsius Target in Articles of Association	Reduce Ownership Threshold for Shareholders to Call Special Meeting
<b>How the manager voted</b>	Against management	Against management	With management
<b>If the vote was against management, did the manager communicate their</b>	They reached out to the company to engage pre-AGM and receive additional	Yes, they have been privately engaging with the company on environmental issues.	Yes, they have an ongoing engagement with Amazon where they share their policy expectations.

	Vote 1	Vote 2	Vote 3
<b>intent to the company ahead of the vote?</b>	information on rationale of the proposal.		
<b>Rationale for the voting decision</b>	Related-party transaction entails a significant risk of a conflict of interest between a non-executive director/significant shareholder and the company. The level of information disclosed was considered not sufficient.	The manager considers climate a key part of their thematic research and engagement with companies and in this case they consider that the environmental proposal is in the interest of shareholders.	Amazon has taken adequate steps to introduce lower shareholding provisions to call for special meetings, reacting adequately to shareholder concerns.
<b>Outcome of the vote</b>	Accepted with significant dissent	Rejected	Accepted
<b>Implications of the outcome</b>	The company was unresponsive to our engagement effort. We will continue opposing this transaction at next AGM and continue attempting to engage on the issue, with a potential vote escalation.	Engagement continues as response is unsatisfactory.	Not available
<b>Criteria on which the vote is considered "significant"</b>	Practice significantly not in line with market standards.	Significant ESG risk.	Significant governance risk.

### Baillie Gifford, Managed Fund

Baillie Gifford have provided the following summary of three votes that they consider to be significant for the Fund:

	Vote 1	Vote 2	Vote 3
<b>Company name</b>	CyberAgent Inc	Ryanair	Just Eat Takeaway.com
<b>Date of vote</b>	13/12/2019	19/09/2019	14/05/2020
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	0.17%	0.44%	0.44%
<b>Summary of the resolution</b>	Elect Director and Audit Committee Member Shiotsuki, Toko	Approve Remuneration Report	Grant Board Authority to Issue Shares Up to 25 Percent of Issued Capital
<b>How the manager voted</b>	Against	Against	For
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	Yes	Yes	Yes
<b>Rationale for the voting decision</b>	They opposed the election of two outside directors and four inside directors, due to ongoing concerns over board composition.	They opposed remuneration due to concerns regarding the structure of the retention plan for the CEO. Whilst the manager welcomes a scheme	The manager usually opposes authority to issue shares without pre-emption rights at the requested amount but given the current environment,

	Vote 1	Vote 2	Vote 3
		which aims to retain talent and incentivise long term performance, they are concerned that the structure of the plan could lead to short term decisions being made if there is a period of poor performance before shares are due to be awarded. They also have concerns that the independent members of the board have received share options.	they feel it is the best interests of all stakeholders to provide the Board and Management with greater flexibility to allocate capital.
<b>Outcome of the vote</b>	Pass	Pass	Pass
<b>Implications of the outcome</b>	The manager has been pushing Cyberagent to improve its board composition for a number of years. Whilst there have been small improvements, the manager does not believe they go far enough. The manager is continuing to escalate out engagement with the company and aiming for constructive dialogue.	The manager has engaged extensively with Ryanair on a number of governance issues over the past few years. This dialog continues both independently and collaboratively with other shareholders and will continue to be escalated through voting action.	The manager has made an exception in the current environment as they understand board/management may need flexibility to deploy capital quickly and have encouraged the company to be lower this value in the future.
<b>Criteria on which the vote is considered "significant"</b>	This resolution is significant because it received greater than 20% opposition, and because the manager opposed the election of a director.	This resolution is significant because it received greater than 20% opposition, and because they opposed remuneration.	This vote is significant because they have deviated from their usual approach. The manager usually opposes authority to issue shares without pre-emption rights at the requested amount but given the current environment, they feel it is the best interests of all stakeholders to provide the Board and Management with greater flexibility to allocate capital.

### Baillie Gifford, Multi Asset Growth Fund

Baillie Gifford have provided the following summary of three votes that they consider to be significant for the Fund:

	Vote 1	Vote 2	Vote 3
<b>Company name</b>	Covivio REIT	EDP Renovaveis	Gecina
<b>Date of vote</b>	22/04/2020	26/03/2020	23/04/2020
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	0.45%	0.38%	0.34%
<b>Summary of the resolution</b>	Remuneration - Report	Elect Director(s)	Incentive Plan

	Vote 1	Vote 2	Vote 3
<b>How the manager voted</b>	Against	Against	Against
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	Yes	Yes	Yes
<b>Rationale for the voting decision</b>	They opposed five resolutions regarding the in-flight and proposed long term incentive scheme because it could lead to rewarding under-performance.	They opposed the election of a director due to the lack of independence and diversity on the board.	They opposed three resolutions relating to remuneration as they do not believe there is sufficient alignment between pay and performance.
<b>Outcome of the vote</b>	Pass	Pass	Pass
<b>Implications of the outcome</b>	Following the AGM in 2020, the manager informed the company of our voting decision and advised that they expect more stretching performance criteria to apply to long term incentives going forward. The manager have yet to see improvements in the targets so will continue dialogue with the company and to take appropriate voting action.	The manager has taken action on the election of directors at the company since the 2018 AGM. Their concerns are regarding the attendance record of some directors, a lack of board independence and diversity. They have spoken to the company a number of times regarding these concerns and continue raise the issue and take action where possible. As the company has an 82% controlling shareholder, the manager's ability to influence is limited, however they believe it important to hold the board accountable for their concerns.	The manager has been opposing remuneration at the company since 2017 due to concerns with the targets applied to the restricted stock plan. They are yet to see improvements in the remuneration plan however continue to engage with the company to advise on areas for improvement.
<b>Criteria on which the vote is considered "significant"</b>	This resolution is significant because they opposed remuneration.	This resolution is significant because they opposed the election of a director.	This resolution is significant because they opposed remuneration.

## BNY Mellon, Multi Asset Diversified Return Fund

BNY Mellon have provided the following summary of three votes that they consider to be significant for the Fund:

	Vote 1	Vote 2	Vote 3
<b>Company name</b>	BBGI SICAV SA	VPC Specialty Lending Investments Plc	GCP Infrastructure Investments Ltd.
<b>Date of vote</b>	30/04/20	24/06/20	13/02/20
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	1.56%	1.03%	0.93%
<b>Summary of the resolution</b>	Approve Issuance of Equity or Equity-Linked Securities without Pre-emptive Rights	Elect Director	Issuing new shares.

	Vote 1	Vote 2	Vote 3
<b>How the manager voted</b>	Against	Against	Against
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	No	Yes	Yes
<b>Rationale for the voting decision</b>	The manager instructed votes against the issuance of equity as no guarantee was provided that the shares would be issued at or above their prevailing net asset value.	The manager voted against the board's chair and a further board director. They were uncomfortable with the influence of the investment manager on the board and its control of a significant portion of the voting rights, as well as its performance as the company's investment manager.	The manager voted against the proposal for the company to issue new shares. Following discussions with the company, they were not convinced that it needed the option of raising capital at the level being requested.
<b>Outcome of the vote</b>	12.7% vote against	24.7% against and 34.2% against	7.5% against
<b>Implications of the outcome</b>	The vote outcome demonstrates that a super majority of shareholders are not concerned with the potential valuation dilution. As such, these shareholders' right to complain is lost should the company place new shares with investors that are priced below the share's net asset value.	The vote outcome demonstrates the significant level of concern had by the company's shareholders. The manager will continue to engage with the company and drive for improvements in the governance arrangements.	Opposition to the resolution was relatively low but the manager will continue to engage with the company should the need arise and if the company seeks to issue shares on a non-pre-emptive basis.
<b>Criteria on which the vote is considered "significant"</b>	The vote was deemed significant given the proposal failed to include industry accepted best practice in terms of pricing of placed shares. In such circumstances, the expected minimum is that the shares would be issued at or above their prevailing net asset value, which would prevent unnecessary value dilution for existing shareholders.	The manager considered that the willingness for shareholders to understand and formally recognise their concerns through voting action deemed this vote as being significant.	While requests to raise capital on a non-pre-emptive basis are a matter of routine for many companies, the manager believes a heightened level of scrutiny should be applied to these resolutions proposed by investment funds.

## BNY Mellon, Multi Asset Global Balanced Fund

BNY Mellon have provided the following summary of three votes that they consider to be significant for the Fund:

	Vote 1	Vote 2	Vote 3
<b>Company name</b>	Microsoft Corporation	Abbott Laboratories	Apple Inc.
<b>Date of vote</b>	04/12/19	24/04/20	26/02/20

	Vote 1	Vote 2	Vote 3
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	2.58%	2.26%	2.07%
<b>Summary of the resolution</b>	Advisory Vote to Ratify Named Executive Officers' Compensation, Elect Board Directors (members of the compensation committee), Ratify PricewaterhouseCoopers LLP as Auditors and Shareholder Proposal to report on Gender Pay Gap.	Advisory Vote to Ratify Named Executive Officers' Compensation, Elect Directors, Increase Disclosure of Executive Compensation	Ratification of executive compensation arrangements and members of the compensation committee, removal of limits on number of director nominees that shareholders can propose for election to the board and shareholder request, for the company to report on feasibility of integrating sustainability measures into the company's compensation arrangements and for details on company's policies on freedom of expression and access to information.
<b>How the manager voted</b>	Against management proposals and for the shareholder proposal	Against management proposals and for the shareholder proposal	Against management proposals and for the shareholder proposals
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	Yes	No	No
<b>Rationale for the voting decision</b>	<p>Despite improvements to executive remuneration practices over recent years, the company failed to justify a 40% increase in total compensation for the CEO, which included a significant increase in basic salary. In addition, the manager remained concerned that approximately half of long-term pay awards vest irrespective of performance. They voted against the executive compensation arrangements and against the three members of the compensation committee.</p> <p>They also voted against the re-appointment of the company's external auditor given it had served in this role for 36 consecutive years.</p> <p>A shareholder resolution proposed that the company report on its gender pay gap. In contrast to the recommendation of management, the manager supported this resolution in view of the insights a company</p>	<p>The manager had concerns with Abbott's executive compensation structure, particularly with respect to the long-term incentive scheme where less than half the awards are subject to performance testing. For those awards that are performance tested, a third of the award vests for any year during the three-year testing period that the company achieves a return-on- equity target. Additionally, there was a lack of rationale as to the necessity for awarding non-performance based shares to the CEO given his alignment with shareholders by way of his sizeable ownership of the company's shares. Finally, the c. US\$460k benefits paid to the CEO were considered excessive and his personal use of the company aircraft and security were considered excessive. The manager voted against the executive compensation arrangements and the five members of the compensation</p>	<p>Once again, the manager voted against the executive compensation arrangements and members of the compensation committee. Their concerns centred on the excessive portion of executives' long-term incentive awards that vest subject only to time served.</p> <p>The manager supported a shareholder-proposed resolution that management recommended voting against. The proposal sought for the removal of a provision that limits the number of director nominees that shareholders can propose for election to the board. At present, under the current provision, shareholders are only able to propose one nominee.</p> <p>The manager also supported a further shareholder resolution. It was requested that the company report on the feasibility of integrating sustainability measures into the</p>



	Vote 1	Vote 2	Vote 3
	can benefit from by undertaking such an exercise.	committee. They also supported a shareholder resolution requesting the company increase disclosure surrounding executive compensation arrangements. Specifically, the proposal sought for the company to provide rationale for any adjustments or modifications made to accepted accounting standards that affect the level or vesting of pay awards.	company's compensation arrangements. While Apple has a well-developed sustainability programme, the manager would like to see executives held accountable for this, and they believe it would help enhance the company's approach.  Finally, the manager supported a shareholder resolution asking the company to provide more information on its policies regarding freedom of expression and access to information. The company has businesses in countries where incumbent governments do not allow full freedom of speech or free access to information. In the past, Apple has been required to censor or restrict content in certain countries. As such, the manager believes shareholders would benefit from more information about the oversight mechanisms for formulating policies on this topic and a description of action the business has taken in response to third-party requests.
<b>Outcome of the vote</b>	23.3% vote against pay 3.5% vote against the auditor 29.6% vote for gender pay gap.	7.4% against advisory vote to ratify named Executive Officers' Compensation  79.7% against report on lobbying payments and policy  97% against require shareholder approval of byelaw amendments adopted by the Board of Directors  15% against adopt simple majority vote	5.8% against - Ratification of executive compensation.  5.1%, 6.1% and 4.9% against - three board director members of the compensation committee.  31.1% for - Removal of limits on number of director nominees that shareholders can propose for election to the board and shareholder request.  12.1% for - Report on the feasibility of integrating sustainability measures into the company's compensation arrangements.  40.6% for - Details on the company's policies on freedom of expression and access to information.
<b>Implications of the outcome</b>	The manager considered the vote outcome on the pay resolutions to be material and	The vote outcome surrounding pay is unlikely to generate discussion either internally or	The lack of shareholder dissent suggests that shareholders are comfortable with the executive

	Vote 1	Vote 2	Vote 3
	<p>of a level where the company is expected to address concerns to avoid further dissent in future years. They have been encouraged by the company's improvements and momentum. Debate surrounding long tenured auditors is not well developed in the US but the manager expects this to change.</p>	<p>externally, as the manager's concerns were not reflected in others' voting actions. However, they will continue to press this matter. Support for the appointment of an independent chair was encouraging and is likely to increase over the next few years should the company fail to address this matter.</p>	<p>pay arrangements. However, the significant support for two of the shareholder proposals should not be ignored by the company will likely lead to further investor engagement.</p>
<b>Criteria on which the vote is considered "significant"</b>	<p>The manager expects more shareholders will increase their scrutiny of pay versus performance and reflect this in their voting decisions; as such, shareholder dissent may increase and result in unnecessary media attention that can foster both financial and reputational issues.</p>	<p>Abbott Laboratories has in place certain executive pay practices, seen at many US companies that the manager considers to be sub optimal. US-based investors do not appear to share these concerns, currently, but the manager expects their focus will change. They are also noticing that companies that receive significant votes against their executive pay practices underperform their peers.</p>	<p>Freedom of expression is a well publicised concern many stakeholders have with the company, which was supported in part by the voting outcome at the AGM.</p>

## Invesco, Global Targeted Returns Fund

Invesco have provided the following summary of three votes that they consider to be significant for the Fund:

	Vote 1	Vote 2	Vote 3
<b>Company name</b>	NewRiver REIT plc	BCA Marketplace plc	Babcock International Group plc
<b>Date of vote</b>	19 July 2019	23 July 2019	12 July 2019
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	>1%	>1%	>1%
<b>Summary of the resolution</b>	To authorise the Company to call a General Meeting with two weeks' notice	To approve matters relating to the cash acquisition of BCA Marketplace plc by BBD Bidco Limited	To authorise the Company to call a General Meeting with two weeks' notice
<b>How the manager voted</b>	In line with management recommendations	In line with management recommendations	In line with management recommendations
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	No	No	No

	Vote 1	Vote 2	Vote 3
<b>Rationale for the voting decision</b>	Supportive of this amendment as provides flexibility	Supportive of this acquisition as the terms are at an attractive premium	Supportive of this amendment as provides flexibility
<b>Outcome of the vote</b>	Not available	Not available	Not available
<b>Implications of the outcome</b>	Not available	Not available	Not available
<b>Criteria on which the vote is considered "significant"</b>	> 1% Fund ownership and includes key ESG proposal	> 1% Fund Ownership and includes key ESG proposal	> 1% Fund ownership and includes key ESG proposal

## LGIM, Multi Asset Fund

LGIM have provided the following summary of three votes that they consider to be significant for the Fund:

	Vote 1	Vote 2	Vote 3
<b>Company name</b>	Barclays	Amazon	ExxonMobil
<b>Date of vote</b>	07/05/2020	27/05/2020	27/05/2020
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	0.06%	0.24%	0.05%
<b>Summary of the resolution</b>	Resolution 29 - Approve Barclays' Commitment in Tackling Climate Change  Resolution 30 - Approve ShareAction Requisitioned Resolution	Shareholder resolutions 5 to 16	Resolution 1.10 - Elect Director Darren W. Woods
<b>How the manager voted</b>	The manager voted for resolution 29, proposed by Barclays and for resolution 30, proposed by ShareAction.	Of 12 shareholder proposals, the manager voted to support 10. They looked into the individual merits of each individual proposal, and there are two main areas which drove their decision-making: disclosure to encourage a better understanding of process and performance of material issues (resolutions 5, 6, 7, 8, 10, 13, 15 and 16) and governance structures that benefit long-term shareholders (resolutions 9 and 14).	Against
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	LGIM publicly communicates its vote instructions in monthly regional vote reports on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.		
<b>Rationale for the voting decision</b>	The resolution proposed by Barclays sets out its long-term plans and has the backing of	In addition to facing a full slate of proxy proposals, in the two months leading up to the	In June 2019, under their annual 'Climate Impact Pledge' ranking of corporate climate leaders

Vote 1	Vote 2	Vote 3
<p>ShareAction and co-filers. We are particularly grateful to the Investor Forum for the significant role it played in coordinating this outcome.</p>	<p>annual meeting, Amazon was on the front lines of a pandemic response. The company was already on the back foot owing to the harsh workplace practices alleged by the author of a seminal article in the New York Times published in 2015, which depicted a bruising culture. The news of a string of workers catching COVID-19, the company's response, and subsequent details, have all become major news and an important topic for the manager's engagements leading up to the proxy vote. Their team has had multiple engagements with Amazon over the past 12 months. The topics of their engagements touched most aspects of ESG, with an emphasis on social topics:</p> <ul style="list-style-type: none"> <li>• Governance: Separation of CEO and board chair roles, plus the desire for directors to participate in engagement meetings</li> <li>• Environment: Details about the data transparency committed to in their 'Climate Pledge'</li> <li>• Social: Establishment of workplace culture, employee health and safety</li> </ul> <p>The allegations from current and former employees are worrying. Amazon employees have consistently reported not feeling safe at work, that paid sick leave is not adequate, and that the company only provides an incentive of \$2 per hour to work during the pandemic. Also cited is an ongoing culture of retaliation, censorship, and fear. The manager discussed with Amazon the lengths the company is going to in adapting their working environment, with claims of industry leading safety protocols, increased pay, and adjusted absentee policies. However, some of their responses seemed to have backfired. For example, a policy</p>	<p>and laggards, the manager announced that they will be removing ExxonMobil from their Future World fund range, and will be voting against the chair of the board. Ahead of the company's annual general meeting in May 2020, they also announced they will be supporting shareholder proposals for an independent chair and a report on the company's political lobbying. Due to recurring shareholder concerns, their voting policy also sanctioned the reappointment of the directors responsible for nominations and remuneration.</p>

	Vote 1	Vote 2	Vote 3
		to inform all workers in a facility if COVID-19 is detected has definitely caused increased media attention.	
<b>Outcome of the vote</b>	<p>Resolution 29 - supported by 99.9% of shareholders</p> <p>Resolution 30 - supported by 23.9% of shareholders</p>	<p>Resolution 5 to 8, and 14 to 16 each received approx. 30% support from shareholders.</p> <p>Resolutions 9 and 10 received respectively 16.7 and 15.3% support.</p> <p>Resolution 11 received 6.1% support.</p> <p>Resolution 12 received 1.5 % support.</p> <p>Resolution 13 received 12.2% support.</p>	<p>93.2% of shareholders supported the re-election of the combined chair and CEO Darren Woods.</p> <p>Approximately 30% of shareholders supported the proposals for independence and lobbying.</p>
<b>Implications of the outcome</b>	<p>The hard work is just beginning. The manager's focus will now be to help Barclays on the detail of their plans and targets, more detail of which is to be published this year. They plan to continue to work closely with the Barclays board and management team in the development of their plans and will continue to liaise with ShareAction, Investor Forum, and other large investors, to ensure a consistency of messaging and to continue to drive positive change.</p>	<p>Despite shareholders not giving majority support to the raft of shareholder proposals, the sheer number and focus on these continues to dominate the landscape for the company. The manager's engagement with the company continues as they push it to disclose more and to ensure it is adequately managing its broader stakeholders, and most importantly, its human capital.</p>	<p>The manager believes 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.</p> <p>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.</p>
<b>Criteria on which the vote is considered "significant"</b>	<p>Since the beginning of the year there has been significant client interest in the manager's voting intentions and engagement activities in relation to the 2020 Barclays AGM. They thank their clients for their patience and understanding while they undertook sensitive discussions and negotiations in private. They consider the outcome to be extremely positive for all parties: Barclays, ShareAction and long-term asset owners such as their clients.</p>	<p>The market attention was significant leading up to the AGM, with:</p> <ul style="list-style-type: none"> <li>•12 shareholder proposals on the table – the largest number of any major US company this proxy season</li> <li>•Diverse investor coalitions submitting and rallying behind the proposals, including global, different types of investors and first time co-filers/engagers</li> <li>•Substantial press coverage – with largely negative sentiment related to the company's</li> </ul>	<p>The manager voted against the chair of the board as part of LGIM's 'Climate Impact Pledge' escalation sanction.</p>

	Vote 1	Vote 2	Vote 3
		governance profile and its initial management of COVID-19	
		<ul style="list-style-type: none"> <li>•Multiple state treasurers speaking out and even holding an online targeted pre-annual meeting investor forum entitled 'Workplace &amp; Investor Risks in Amazon.com, Inc.'s COVID-19 Response'</li> </ul>	
		Anecdotally, the Stewardship team received more inquires related to Amazon than any other company this season.	

### Vanguard, FTSE UK Equity Income Index Fund

Vanguard have not provided significant voting data for the Fund in a usable format.

### Fund level engagement

Manager	Fund 1	Fund 2	Fund 3	Fund 4
<b>Fund name</b>	AXA Managed Balanced Fund	Baillie Gifford Managed Fund	Baillie Gifford Multi Asset Growth Fund	Baillie Gifford Worldwide Global Credit Fund
<b>Does the manager perform engagement on behalf of the holdings of the fund</b>	Yes	Yes	Yes	Yes
<b>Has the manager engaged with companies to influence them in relation to ESG factors in the year?</b>	Yes	Yes	Yes	Yes
<b>Number of engagements undertaken on behalf of the holdings in this fund in the year</b>	31 engagements with 23 companies	161	20	13
<b>Number of engagements undertaken at a firm level in the year</b>	248 engagements with 181 companies	543	543	543
<b>Examples of engagements undertaken</b>	<b>Facebook</b> – had a discussion on shareholder proposals related to data privacy and corporate governance issues.	<b>BHP Group plc</b> – discussed recent leadership changes including new CEO. They believe the new CEO is committed to	<b>Hammerson plc</b> – engaged on proposed changes to its long-term incentive plan. This resulted in the inclusion of a detailed	<b>CRH plc</b> – supported remuneration policy at the 2020 AGM due to changes made on executive remuneration

Manager	Fund 1	Fund 2	Fund 3	Fund 4
	<b>BP plc</b> – presented a shareholder resolution calling for the company to set out a strategy consistent with the Paris Goals.	continuing the group’s sustainability work. <b>Kingspan Group plac</b> – discussed remuneration policy and board composition. The manager was glad to hear that remuneration policy was under review, and they would follow up on progress in future.	framework of assessment which the manager voted for. <b>John Laing Group plc</b> – discussed strategy and long-term outlook, including the shift to renewables. The manager believes they demonstrated a clear understanding of the importance of ESG.	incorporating the manager’s feedback. <b>Softbank Group Corp</b> – queried board composition, particularly the level of diversity. The company assured the manager that its intention was to achieve a higher level of diversity but it was unable to do so by the 2020 AGM.

Manager	Fund 5	Fund 6	Fund 7	Fund 8
<b>Fund name</b>	BNY Mellon Multi Asset Diversified Return Fund	BNY Mellon Multi Asset Global Balanced Fund	Invesco Global Targeted Returns Fund	Legal & General Pensions Property Fund
<b>Does the manager perform engagement on behalf of the holdings of the fund</b>	Yes	Yes	Yes	Not available
<b>Has the manager engaged with companies to influence them in relation to ESG factors in the year?</b>	Yes	Yes	Yes	Not available
<b>Number of engagements undertaken on behalf of the holdings in this fund in the year</b>	99	122	Company engagements are recorded at the investment team level. The Henley Investment Centre participated in 2,169 engagements over the year.	Not available
<b>Number of engagements undertaken at a firm level in the year</b>	244	244	Not available	Not available
<b>Examples of engagements undertaken</b>	<b>BAE Systems plc</b> – discussed the use of BAE weapons by Saudi Arabia in the Yemen conflict. BAE clarified its involvement in the crisis, and the manager will continue	<b>BP plc</b> – addressed BP’s engagement with shareholders, which had been short and standoffish, especially with poor disclosure of climate change risks. The manager co-filed a climate change shareholder resolution	<b>Woodside Petroleum</b> – the ESG team met with the chairman and head of IR to discuss climate change shareholder resolutions tabled at the AGM. These were related to disclosure of carbon emissions	Not available

Manager	Fund 5	Fund 6	Fund 7	Fund 8
	<p>to monitor the situation.</p> <p><b>Ryanair Holdings plc</b> – the manager re-analysed Ryanair after it experienced a number of high profile labour disputes. Their analysis highlighted that Ryanair had not sufficiently addressed its poor relations with staff and unions.</p>	<p>asking BP to explain its thinking on climate change.</p> <p><b>Toll Bros Inc</b> – voted against the chair of the nominations committee, due to insufficient board diversity and no robust policy or targets to address this issue.</p>	<p>targets and lobbying activities. All Invesco shares registered “for” votes on these proposals.</p> <p><b>Amazon</b> – the ESG team discussed Amazon’s response to COVID-19, its responsible and ethical use of digital technologies, and encouraged Amazon to join an industry initiative called “Champions 12.3” which aims to achieve Sustainable Development Goals target 12.3.</p>	

Manager	Fund 9	Fund 10
<b>Fund name</b>	LGIM Multi Asset Fund	Vanguard FTSE UK Equity Income Index Fund
<b>Does the manager perform engagement on behalf of the holdings of the fund</b>	Not available	Yes
<b>Has the manager engaged with companies to influence them in relation to ESG factors in the year?</b>	Not available	Yes
<b>Number of engagements undertaken on behalf of the holdings in this fund in the year</b>	Not available	38
<b>Number of engagements undertaken at a firm level in the year</b>	Not available	998 engagements with 793 companies
<b>Examples of engagements undertaken</b>	Not available	<b>Rio Tinto</b> – engaged with the company to discuss a climate-related shareholder proposal calling on the firm to disclose



Manager	Fund 9	Fund 10
		greenhouse gas emissions targets. The manager expressed the need for better disclosure about its partnerships.

Where information is not included, it has been requested but has not been provided in a useable format or at all by the investment manager. Our investment consultants are in discussion with the managers around how this data will be provided in future statements.

**Prepared by the Trustee of the Pension Plan of Seiko U.K. Limited  
January 2021**