

Informa Final Salary Scheme

Implementation Statement, covering the Scheme Year from 1 April 2020 to 31 March 2021

The Trustee of the Informa Final Salary Scheme (the “Scheme”) is required to produce a yearly statement to set out how, and the extent to which, the Trustee has followed the voting and engagement policies in its Statement of Investment Principles (“SIP”) during the Scheme Year. This is provided in Section 1 below.

The Statement is also required to include a description of the voting behaviour during the Scheme Year by, and on behalf of, trustees (including the most significant votes cast by trustees or on their behalf) and state any use of the services of a proxy voter during that year. This is provided in Section 3 below.

1. Introduction

No changes were made to the voting and engagement policies in the SIP during the Scheme Year.

The Trustee has, in its opinion, followed the Scheme’s voting and engagement policies during the Scheme Year, by continuing to delegate to its investment managers the exercise of rights and engagement activities in relation to investments, as well as seeking to appoint managers that have strong stewardship policies and processes. Actions taken by the Trustee in relation to the Scheme’s existing managers and funds over the period are described in Section 2 below.

2. Voting and engagement

As part of its advice on the selection and ongoing review of the investment managers, the Scheme’s investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers’ approaches to voting and engagement.

The Trustee last reviewed the RI credentials of the Scheme’s existing managers in February 2020, when the Trustee reviewed LCP’s responsible investment (RI) scores, along with LCP’s qualitative RI assessments for each fund and red flags for any managers of concern. These scores cover the approach to ESG factors, voting and engagement. The fund scores and assessments are based on LCP’s ongoing manager research programme and it is these that directly affect LCP’s manager and fund recommendations. The manager scores and red flags are based on LCP’s Responsible Investment Survey 2020.

The Trustee was satisfied with the results of the review and no further action was taken.

3. Description of voting behaviour during the Scheme Year

All of the Trustee’s holdings in listed equities are within pooled funds and the Trustee has delegated to its investment managers the exercise of voting rights. Therefore, the Trustee is not able to direct how votes are exercised and the Trustee itself has not used proxy voting services over the Scheme Year.

In this section we have sought to include voting data in line with the Pensions and Lifetime Savings Association (PLSA) guidance, on the Scheme’s funds that hold equities as follows:

- Legal & General Investment Management (“LGIM”):
 - UK Equity Index Fund
 - North America Equity Index Fund
 - Japan Equity Index Fund
 - Europe (ex UK) Equity Index Fund
 - Asia Pacific (ex Japan) Developed Equity Index Fund
 - World Emerging Market Equity Index Fund
- Columbia Threadneedle Investments (“Threadneedle”) European Select Fund
- Baillie Gifford Multi-Asset Growth Fund

- BlackRock Dynamic Diversified Growth Fund

Where voting information was unavailable, the Trustee will continue to work with its advisers and investment managers with the aim of providing this voting information in future implementation statements.

In addition to the above, the Scheme's other asset managers that don't hold listed equities but can sometimes have voting opportunities (namely the Zurich Threadneedle Property Fund and Partners Private Credit Fund), were contacted to see if they had voting opportunities over the period. Both managers confirmed that there were no voting opportunities during the Scheme Year.

3.1 Description of the voting processes

3.1.1. LGIM

LGIM's voting and engagement activities are driven by ESG professionals and its assessment of the requirements in these areas seeks to achieve the best outcome for all its clients. LGIM's voting policies are reviewed annually and take into account feedback from its clients.

LGIM holds a yearly 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 its voting and engagement policies and define strategic priorities in the years ahead. LGIM also takes into account client feedback received at regular meetings and/ or ad-hoc comments or enquiries.

All decisions are made by LGIM's Investment Stewardship team and in accordance with its 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, with the aim of ensuring that its stewardship approach flows smoothly throughout the engagement and voting process and that engagement is fully integrated into the vote decision process, therefore sending consistent messaging to companies.

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

To ensure LGIM's proxy provider votes in accordance with its position on ESG, LGIM has put in place a custom voting policy with specific voting instructions. These instructions apply to all markets globally and seek to uphold what LGIM considers are minimum best practice standards which LGIM believes all companies globally should observe, irrespective of local regulation or practice.

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

3.1.2. Threadneedle

Where Threadneedle has the authority to vote on behalf of its clients, shares are voted together. In voting proxies on behalf of its clients, Threadneedle votes in consideration of all relevant factors to support the best economic outcome in the long-run. As an organisation, Threadneedle's approach is driven by a focus on promoting and protecting its clients' long-term interests; while Threadneedle is generally supportive of company management, it can and does frequently take dissenting voting positions. While final voting decisions are made under a process informed by the RI team working in collaboration with portfolio managers and analysts, Threadneedle's Global Proxy Team serves as the central point of proxy administration with oversight over all votes cast and ultimate responsibility for the implementation of Threadneedle's Proxy Voting Policy. Threadneedle's voting is conducted in a controlled environment to protect against undue influence from individuals or outside groups.

Ahead of shareholder meetings and voting action, where practical, Threadneedle engages with companies through consultations and directly with its core holdings. Where engagement is not possible ahead of a shareholder general meeting Threadneedle looks to follow up with companies where possible afterwards.

Although Threadneedle subscribes to proxy advisors' research, votes are determined under its own custom voting policy, which is regularly updated. The RI team assesses the application of the policy and makes final voting decisions in collaboration with the firm's portfolio managers and analysts. Votes are cast identically across all mandates for which Threadneedle has voting authority. All of Threadneedle's voting decisions are available for inspection on its website seven days after each company meeting. Threadneedle utilises the proxy voting research of ISS and Glass Lewis & Co., which is made available to its investment professionals, and its RI team will also consult on many voting decisions.

The administration of Threadneedle's proxy voting process is handled by a central point of administration at the firm (the Global Proxy Team). Among other duties, the Global Proxy Team coordinates with third-party proxy voting and research providers.

Threadneedle considers a significant vote to be any dissenting vote, ie where a vote is cast against (or where Threadneedle abstains/withholds from voting) a management-tabled proposal, or where Threadneedle supports a shareholder-tabled proposal not endorsed by management. Threadneedle reports annually on its reasons for applying dissenting votes via its website.

3.1.3. Baillie Gifford

All voting decisions are made by Baillie Gifford's Governance & Sustainability team in conjunction with investment managers.

Baillie Gifford believes that voting should be investment-led, because how it votes is an important part of the long-term investment process, which is why Baillie Gifford's strong preference is to be given this responsibility by clients. Baillie Gifford believes that the ability to vote clients' shares also strengthens its position when engaging with investee companies.

Baillie Gifford's Governance & Sustainability team oversees voting analysis and execution in conjunction with Baillie Gifford's investment managers. Baillie Gifford does not outsource the responsibility for voting to third-party suppliers, utilising research from proxy advisors for information only. Baillie Gifford analyses all meetings in-house in line with its Governance & Sustainability Principles and Guidelines and endeavours to vote on every one of clients' holdings in all markets. Baillie Gifford also has specialist proxy advisors in the Chinese and Indian markets to provide more nuanced market specific information.

The list below is not exhaustive, but exemplifies potentially significant voting situations in Baillie Gifford's view:

- Baillie Gifford's holding had a material impact on the outcome of the meeting;
- the resolution received 20% or more opposition and Baillie Gifford opposed;
- egregious remuneration;
- controversial equity issuance;
- shareholder resolutions that Baillie Gifford supported and received 20% or more support from shareholders;
- where there has been a significant audit failing;
- where Baillie Gifford has opposed mergers and acquisitions;
- where Baillie Gifford has opposed the financial statements/annual report; and
- where Baillie Gifford has opposed the election of directors and executives.

3.1.4. BlackRock

BlackRock's proxy voting process is led by the BlackRock Investment Stewardship team (BIS), which consists of three regional teams –Americas ("AMRS"), Asia-Pacific ("APAC"), and Europe, Middle East and Africa ("EMEA") - located in seven offices around the world. The analysts with each team will generally determine how to vote at the meetings of the companies they cover. Voting decisions are made by members of the BlackRock Investment Stewardship team with input from investment colleagues as required, in each case, in accordance with BlackRock's Global Principles and custom market-specific voting guidelines.

While BlackRock subscribes to research from the proxy advisory firms Institutional Shareholder Services (ISS) and Glass Lewis, it is just one among many inputs into BlackRock's vote analysis process. BlackRock primarily uses proxy research firms to synthesise corporate governance information and analysis into a concise, easily reviewable format so that the investment stewardship analysts can readily identify and prioritise those companies where

BlackRock's own additional research and engagement would be beneficial. Other sources of information BlackRock uses include the company's own reporting (such as the proxy statement and the website), BlackRock's engagement and voting history with the company, and the views of active investors, public information and ESG research.

BlackRock Investment Stewardship (BIS) prioritises its work around themes that BlackRock believes will encourage sound governance practices and deliver sustainable long-term financial performance at the companies in which it invests on behalf of clients. BIS' year-round engagements with clients to understand their focus areas and expectations, as well as active participation in market-wide policy debates, help inform these priorities. The themes BlackRock has identified are reflected in its global principles, market-specific voting guidelines and engagement priorities, which underpin BlackRock's stewardship activities and form the benchmark against which it looks at the sustainable long-term financial performance of investee companies.

BIS periodically publishes "vote bulletins" on key votes at shareholder meetings to provide insight into details on certain vote decisions BlackRock expects will be of particular interest to clients. BlackRock publishes details of other significant votes (including vote rationales, where applicable) quarterly on the BIS website. Vote bulletins can be found at <https://www.blackrock.com/corporate/about-us/investment-stewardship#engagement-and-voting-history>.

3.2 Summary of voting behaviour over the Scheme Year

A summary of voting behaviour over the period is provided in the table below.

	LGIM UK Equity Index Fund	LGIM Europe (ex UK) Equity Index Fund	LGIM North America Equity Index Fund	LGIM Japan Equity Index Fund	LGIM Asia Pacific (ex Japan) Developed Equity Index Fund	LGIM World Emerging Markets Equity Index Fund	Threadneedle European Select Fund	Baillie Gifford Multi Asset Growth Fund	BlackRock Dynamic Diversified Growth Fund
Value of Scheme assets at end of reporting period (£m)	19.0	1.7	6.7	2.9	3.3	11.6	5.4	13.2	13.1
Number of holdings at end of reporting period	598	461	662	509	404	1,882	41	94	Not provided
Number of meetings eligible to vote	943	686	794	551	534	3,998	49	69	977
Number of resolutions eligible to vote	12,574	11,412	9,495	6,518	3,774	36,036	759	749	12,398
% of resolutions voted	100.0%	99.9%	100.0%	100.0%	100.0%	99.9%	Not provided	97.7%	96.6%
Of the resolutions on which voted, % voted with management	92.9%	84.2%	71.8%	86.1%	74.2%	85.2%	93.7%	91.5%	93.3%
Of the resolutions on which voted, % voted against management	7.1%	15.3%	28.2%	13.9%	25.8%	13.4%	4.6%	7.0%	5.9%
Of the resolutions on which voted, % abstained from voting	0.0%	0.5%	0.0%	0.0%	0.0%	1.4%	1.7%	1.5%	0.9%
Of the meetings in which the manager voted, % with at least one vote against management	3.3%	4.4%	7.8%	5.9%	10.1%	5.1%	38.8%	20.3%	n/a
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	0.8%	0.4%	0.3%	0.2%	0.2%	0.0%	n/a	n/a	n/a

3.3 Most significant votes over the Scheme Year

Information regarding the most significant votes over the period, from the Scheme's asset managers who hold listed equities, is set out below.

We have asked the managers to comment on votes that they believe to be significant. We have selected a subset provided by the managers for each fund based on a combination of factors, including the amount the Scheme has invested in the fund, the potential financial impact of the vote, the potential stewardship impact of the vote, and whether the vote was particularly controversial (for example, if it was high profile). No significant votes were provided for the LGIM World Emerging Markets Equity Index Fund or the Threadneedle European Select Fund. Further detail on the votes below and additional votes are available upon request.

Fund	Company	Date of vote	Summary of the resolution	For/Against	Rationale for the voting decision
LGIM	International Consolidated Airlines Group	07-Sep-20	Approve remuneration report	Against	In March 2020, LGIM proactively wrote a private letter to the company to state support during the pandemic, encouraging the board to demonstrate restraint and discretion with its executive remuneration. LGIM believed the proposed executive remuneration at the AGM later in the year was inappropriate in light of the take up of government support, withdrawal of dividends and a 30% cut to the company workforce.
LGIM	Pearson	18-Sep-20	Amend remuneration policy	Against	The company decided to put forward an amendment to its remuneration policy. This resolution at the extraordinary general meeting (EGM) was seeking shareholder approval for the grant of a co-investment award (unusual for a UK company), and if this resolution was not passed the company confirmed that the proposed new CEO would not take up the CEO role. Shareholders were not able to vote separately on the two distinctly different items and felt forced to accept a less-than-ideal remuneration structure for the preferred new CEO. LGIM spoke with the chair of the board earlier this year on the board's succession plans, progress for the new CEO and the shortcomings of the company's current remuneration policy. LGIM also spoke with the chair directly before the EGM, and relayed concerns over remuneration policies. In the absence of any changes, LGIM took the decision to vote against the amendment to the remuneration policy.
LGIM	ExxonMobil	27-May-20	Election of Director	Against	In June 2019, under LGIM's annual 'Climate Impact Pledge' ranking of corporate climate leaders and laggards, LGIM announced that it would be voting against the chair of the board. Ahead of the company's annual general meeting in May 2020, LGIM announced it would be supporting shareholder proposals for an independent chair and a report on the company's political lobbying.

Fund	Company	Date of vote	Summary of the resolution	For/Against	Rationale for the voting decision
LGIM	Olympus Corporation	30-Jul-20	Election of Director	Against	In February 2020, LGIM sent letters to the largest companies in the Japanese equity index that did not have any women on their boards or at executive level, indicating that LGIM expects to see at least one woman on the board. One of the companies targeted was Olympus Corporation, and LGIM voted against the proposal to elect a director in his capacity as a member of the nomination committee and the most senior member of the board to signal that the company needs to take action on this issue.
LGIM	Samsung Electronics	17-Mar-21	Election of Directors	Against	LGIM engaged with the company ahead of the vote but were not satisfied following the company's response that ties had been severed between the company board and criminally convicted director Lee Jae-yong (found guilty of bribery, embezzlement and concealment of criminal proceeds). Additionally, LGIM was not satisfied with the independence of the company board and that the independent directors were able to effectively challenge management. LGIM voted against the resolutions as the outside directors have collectively failed to remove Lee Jae-yong from the board, which LGIM believes is indicative of a material failure of governance and oversight at the company.
LGIM	Whitehaven Coal	22-Nov-20	Report on potential wind-down of coal operations, with potential to return capital to shareholders	For	LGIM voted for this shareholder resolution. The role of coal in the future energy mix is increasingly uncertain, due to the competitiveness of renewable energy, as well as increased regulation. LGIM has publicly advocated for a 'managed decline' for fossil fuel companies, in line with global climate targets, with capital being returned to shareholders instead of spent on diversification and growth projects that risk becoming stranded assets. As the most polluting fossil fuel, LGIM believes the phase-out of coal will be key to reaching these global targets.
Baillie Gifford	Covivio	22-Apr-20	Remuneration report (performance incentive)	Against	Baillie Gifford expects more stretching performance criteria to apply to long-term incentives going forward. It has yet to see improvements in the targets so will continue dialogue with the company and take appropriate voting action.
Baillie Gifford	Gecina	23-Apr-20	Employee Equity Plan ie remuneration	Against	Remuneration policy opposed at the company since 2017 due to concerns with targets applied to the restricted stock plan. Baillie Gifford are yet to see improvements in the remuneration plan however continue to engage with the company.

Fund	Company	Date of vote	Summary of the resolution	For/Against	Rationale for the voting decision
BlackRock	Barclays	7-May-20	Approve Barclays' Commitment to Tackling Climate Change	For	Following engagement with its shareholders and other stakeholders, including BlackRock, Barclays announced updated ambitions with respect to tackling climate change and proposed the resolution.
BlackRock	Amazon	27-May-20	Multiple	For all management proposals, against all 12 shareholder proposals	After reviewing the company's existing disclosures, along with insights from BlackRock's engagement with Amazon, BlackRock believed Amazon was addressing material issues raised by the shareholder proposals. These issues were varied and included food waste, customer misuse of technologies, product restriction, board independence, gender/race pay gaps, community impacts, supply chain management and lobbying. BlackRock believed that some of the proposals were too prescriptive in their request for additional information. For a subset of the proposals, the company is already meeting BlackRock's best practices guidelines. BlackRock will continue to engage with the company regarding the governance of and reporting on material business risks and opportunities.