

Comshare Retirement and Death Benefits Plan Implementation Statement Year Ending 30 September 2022

Glossary

ESG	Environmental, Social and Governance
Investment Adviser	First Actuarial LLP
LGIM	Legal & General Investment Management
Scheme	Comshare Retirement and Death Benefits Plan
Scheme Year	1 October 2021 to 30 September 2022
SIP	Statement of Investment Principles
UNPRI	United Nations Principles for Responsible Investment

Introduction

The Trustee has reviewed the extent to which their policy relating to the exercise of rights (including voting rights) attaching to the investments was followed over the Scheme Year and this statement confirms the outcome of that review.

In addition, the statement summarises the voting record of the Scheme's investment managers and provides information on the significant votes made in respect of the Trustee's equity holdings. Information is also provided on how the Scheme's investment managers make use of the services of proxy voting advisers.

Relevant Investments

The Scheme's assets are invested in pooled funds and some of those funds include an allocation to equities. Where equities are held, the investment manager has the entitlement to vote.

At the end of the Scheme Year, the Scheme invested in the following funds which included an allocation to equities:

- BlackRock Aquila Life Pacific Rim Equity Index Fund
- BlackRock Aquila Life Japanese Equity Index Fund
- BlackRock Aquila Life US Equity Index Fund
- BlackRock Aquila Life European Equity Index Fund
- BlackRock Aquila Life UK Equity Index Fund
- BlackRock Dynamic Diversified Growth Fund
- BlackRock ALMA Fund
- Pictet Dynamic Asset Allocation

As well as the DB Section funds above, at the Scheme year end, less than 3% of Scheme assets were invested in the DC Section. The DC Section assets have been excluded from our analysis due to immateriality.

The Trustee's Policy Relating to the Exercise of Rights

Summary of the Policy

The Trustee's policy in relation to the exercise of rights (including voting rights) attaching to the investments is set out in the SIP, and a summary is as follows:

- The Trustee believes that good stewardship can help create, and preserve, value for companies and markets as a whole and the Trustee wishes to encourage best practice in terms of stewardship.
- The Trustee invests in pooled investment vehicles and therefore accepts that ongoing engagement with the underlying companies (including the exercise of voting rights) will be determined by the investment managers' own policies on such matters.
- When selecting a pooled fund, the Trustee considers, amongst other things, the investment manager's policy in relation to the exercise of the rights (including voting rights) attaching to the investments held within the pooled fund.

- When considering the ongoing suitability of an investment manager, the Trustee (in conjunction with their Investment Adviser) will take account of any particular characteristics of that manager's engagement policy that are deemed to be financially material.
- The Trustee will normally select investment managers who are signatories to the UNPRI.
- If it is identified that a fund's investment manager is not engaging with companies the Trustee may look to replace that fund. However, in the first instance, the Trustee would normally expect their Investment Adviser to raise the Trustee's concerns with the investment manager.
- The Trustee recognises that it is likely that members and beneficiaries will hold a broad range of views on ESG and other non-financial matters. Whilst the Trustee will seek to avoid investing in a way that is likely to be strongly opposed by those individuals, the Trustee does not directly take such views into account when determining the Scheme's investment strategy.

Has the Policy Been Followed During the Scheme Year?

The Trustee's opinion is that their policy relating to the exercise of rights (including voting rights) attaching to the investments has been followed during the Scheme Year. In reaching this conclusion, the following points were taken into consideration:

- There has been no change to the Trustee's belief regarding the importance of good stewardship.
- The Scheme's invested assets remained invested in pooled funds over the period.
- The Trustee did not select any new funds during the period.
- During the Scheme Year, the Trustee considered the voting records of the investment managers over the period ending 30 September 2021.
- Since the end of the Scheme Year, an updated analysis of the voting records of the investment managers based on the period ending 30 September 2022 has been undertaken as part of the work required to prepare this Implementation Statement. A summary of the key findings from that analysis is provided below.
- All investment managers used by the Scheme are UNPRI signatories.
- Members' and beneficiaries' views on ESG and other non-financial matters were not sought or taken into account in any decisions on the Scheme's investment strategy over the Scheme year.

The Investment Managers' Voting Records

A summary of the investment managers' voting records is shown in the table below.

Investment Manager	Number of votes	Split of votes:		
		For	Against / withheld	Did not vote/ abstained
BlackRock	170,000	88%	10%	2%
Pictet	48,000	86%	11%	3%

Notes

Split of votes may not sum to 100% due to rounding.

These voting statistics are based on each manager's full voting record over the 12 months to 30 September 2022 rather than votes related solely to the funds held by the Scheme.

Use of Proxy Voting Advisers

Investment Manager	Who is their proxy voting adviser?	How is the proxy voting adviser used?
BlackRock	Several Advisers	Proxy advisers provide information but voting is determined by BlackRock
Pictet	ISS	Research, recommendations and and vote execution provided by ISS but Pictet retains discretion to vote differently to recommendations

The Investment Managers' Voting Behaviour

The Trustee has reviewed the voting behaviour of the investment managers by considering the following:

- broad statistics of their voting records such as the percentage of votes cast for and against the recommendations of boards of Directors (i.e. "with management" or "against management");
- the votes they cast in the year to 30 September 2022 (or most recent date available) on the most contested proposals in nine categories across the UK, the US and Europe;

- the investment managers' policies and statements on the subjects of stewardship, corporate governance and voting.

The Trustee has also compared the voting behaviour of the investment managers with their peers over the same period.

The Trustee's key observations are set out below.

Voting in Significant Votes

Based on information provided by the Trustee's Investment Adviser, the Trustee has identified significant votes in nine separate categories. The Trustee considers votes to be more significant if they are closely contested. i.e. close to a 50:50 split for and against. A closely contested vote indicates that shareholders considered the matter to be significant enough that it should not be simply "waved through". In addition, in such a situation, the vote of an individual investment manager is likely to be more important in the context of the overall result.

The five most significant votes in each of the nine categories based on shares held by the Scheme's investment managers are listed in the Appendix. In addition, the Trustee considered each investment manager's overall voting record in significant votes (i.e. votes across all stocks not just the stocks held within the funds used by the Scheme).

Analysis of Voting Behaviour

BlackRock

The Trustee has no material concerns regarding the voting record of BlackRock.

In previous quarters the Trustee was critical of BlackRock and, in particular, the Trustee observed that the manager's voting record did not appear to be consistent with its public statements which had indicated a desire to address climate change issues. The position does now seem to have changed.

Nevertheless, the Trustee may feel BlackRock voting approach is not in line with their or their members views. For this reason, the Trustees welcomes BlackRock giving investors a free choice of ISS voting policies across most of its index tracking fund range.

Each of these voting policies has been developed by a different group of investors with a different world view. For instance, the Taft-Hartley and Public fund policies are respectively developed with US trade union and public sector funds in mind. In addition, the Socially Responsible Investment policy is closely aligned with that of the Catholic Faith based policy. Finally, the Climate (and the broader focussed Sustainable) aim to suit those investors who believe mitigating Climate (and broader ESG) risks should drive voting behaviour.

Pictet

The Trustee has no concerns regarding the voting record of Pictet.

Pictet adopts the “Sustainable Proxy Voting Guidelines” published by the proxy voting services company ISS. Consequently, the Trustee would expect Pictet to vote in a way that supports sustainability.

There is evidence that this is the case and, in particular, the manager’s voting record suggests that it is willing to vote against Director proposals on a range of issues and is supportive of shareholder proposals brought to address ESG matters.

The Trustee’s Investment Advisors highlighted Pictet’s lack of opposition to any reappointment of auditors last year. Pictet continue to support the reappointment of auditors where others consider tenure to be excessive. However, they have opposed appointments where non-audit fees are excessive and consider shareholder proposals to rotate auditors on a case-by-case basis.

Conclusion

Based on the analysis undertaken, the Trustee has no material concerns regarding the voting records of BlackRock or Pictet.

The Trustee will keep the voting actions of the investment managers under review.

Signed by the Trustee

15 March 2023

Significant Votes

The table below records how the Scheme's investment managers voted in the most significant votes identified by the Trustee.

Company	Meeting Date	Proposal	Votes For (%)	Votes Against (%)	BlackRock	Pictet
Audit & Reporting						
CAMPBELL SOUP COMPANY	01/12/2021	Ratify PricewaterhouseCoopers LLP as Auditors	71	26	For	Not held
MODERNA INC	28/04/2022	Appoint the Auditors	75	24	For	Not held
INVESCO PERPETUAL UK SMALLER COMPANIES	09/06/2022	Re-appoint Ernst & Young LLP as the auditor of the Company	76	24	For	Not held
WORLDLINE SA	09/06/2022	Renew Appointment of Deloitte & Associates as Auditor	77	23	For	Not held
VERTEX PHARMACEUTICALS INCORPORATED	18/05/2022	Appoint the Auditors	77	23	For	Not held
Shareholder Capital & Rights						
TULLOW OIL PLC	25/05/2022	Issue Shares for Cash	56	44	For	Not held
HENDERSON SMALLER COMPANIES I.T. PLC	01/10/2021	Authorise Share Repurchase	42	56	For	Not held
PLAYTECH PLC	30/06/2022	Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment	58	42	For	Not held
SHAFTESBURY PLC	04/02/2022	Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital	70	29	For	Not held
FERRARI NV	13/04/2022	Grant Board Authority to Issue Special Voting Shares	71	29	Against	Not held
Pay & Remuneration						
THE COCA-COLA COMPANY	26/04/2022	Advisory Vote on Executive Compensation	50	49	Against	Not held
THE TJX COMPANIES INC.	07/06/2022	Advisory Vote on Executive Compensation	48	49	For	Not held
ORANGE S.A	19/05/2022	Approve Remuneration Policy of Chairman and CEO, CEO and Vice-CEOs	50	49	Against	Not held
TRANSDIGM GROUP INCORPORATED	12/07/2022	Advisory Vote on Executive Compensation	51	48	Against	Not held
HENRY SCHEIN INC.	18/05/2022	Advisory Vote on Executive Compensation	51	48	Against	Not held
Constitution of Company, Board & Advisers						
SEAGATE TECHNOLOGY PUBLIC LIMITED COMPANY	20/10/2021	Elect Jay L. Geldmacher - Non-Executive Director	50	50	For	Not held
PEOPLES UNITED FINANCIAL INC.	16/12/2021	Elect William F. Cruger, Jr. - Non-Executive Director	50	50	For	Not held
TE CONNECTIVITY LTD	09/03/2022	Amend Article 5	50	50	Against	Not held
INTEL CORPORATION	12/05/2022	Elect Alyssa Henry - Non-Executive Director	50	49	For	Not held
MOTOROLA SOLUTIONS INC.	17/05/2022	Elect Egon P. Durban - Non-Executive Director	51	49	For	Not held
Merger, Acquisition, Sales & Finance						
BALTIC CLASSIFIEDS GROUP PLC	28/09/2022	Approve Waiver of Rule 9 of the Takeover Code	66	34	For	Not held
LUCECO PLC	12/05/2022	Approve Waiver of Rule 9 of the Takeover Code	74	26	Against	Not held
BOUYGUES SA	28/04/2022	Authorise Board to Issue Free Warrants with Preemptive Rights During a Public	76	24	Against	Not held
CALEDONIA INVESTMENTS PLC	27/07/2022	Waiver of mandatory offer provisions set out in Rule 9 of the Takeover Code	79	20	For	Not held
W.A.G PAYMENT SOLUTIONS PLC	26/05/2022	Approve Waiver of Rule 9 of the Takeover Code	84	16	Against	Not held
Climate Related Resolutions						
GLENORE PLC	28/04/2022	Climate Progress Report	76	24	For	Not held
M&G PLC	25/05/2022	Approve Climate Transition Plan and Climate-Related Financial Disclosure	78	20	For	Not held
CENTRICA PLC	07/06/2022	Approve Climate Transition Plan	79	20	For	Not held
Royal Dutch Shell	24/05/2022	Approve the Shell Energy Transition Progress	77	19	For	Not held
UNITED UTILITIES GROUP PLC	22/07/2022	Approve Climate-Related Financial Disclosures	80	19	For	Not held
Other Company Resolutions						
TE CONNECTIVITY LTD	09/03/2022	Allow Proxy Solicitation	62	38	For	Not held
INVESTEC PLC	04/08/2022	Investec plc: Approve Political Donations	70	29	For	Not held
LIONTRUST ASSET MANAGEMENT	22/09/2022	Meeting Notification-related Proposal	66	24	For	Not held
SSP GROUP PLC	04/02/2022	Meeting Notification-related Proposal	79	21	For	Not held
EASYJET PLC	10/02/2022	Approve Political Donations	78	19	For	Not held
Governance & Other Shareholder Resolutions						
ABBVIE INC	06/05/2022	Shareholder Resolution: Submit Severance Agreement (Change-in-Control) to	50	49	Against	Not held
NORTHROP GRUMMAN CORPORATION	18/05/2022	Shareholder Resolution: Right to Call Special Meetings	50	49	Against	Not held
GLOBAL PAYMENTS INC	28/04/2022	Shareholder Resolution: Right to Call Special Meetings	50	49	Against	Not held
APPLIED MATERIALS INC	10/03/2022	Shareholder Resolution: Right to Call Special Meetings	49	49	Against	Not held
INTERCONTINENTAL EXCHANGE, INC.	13/05/2022	Shareholder Resolution: Reduce Ownership Threshold for Shareholders to Call	49	50	Against	Not held
Environmental & Socially Focussed Shareholder Resolutions						
PHILLIPS 66	11/05/2022	Shareholder Resolution: Report on Reducing Plastic Pollution	50	49	For	Not held
AMAZON.COM INC.	25/05/2022	Shareholder Resolution: Report on Efforts to Reduce Plastic Use	49	51	For	For
APPLE INC	04/03/2022	Shareholder Resolution: Civil Rights Audit	53	46	For	For
AMERICAN WATER WORKS COMPANY INC.	11/05/2022	Shareholder Resolution: Report on Third-Party Racial Equity Audit	47	50	Against	Not held
EXXON MOBIL CORPORATION	25/05/2022	Shareholder Resolution: Report on Scenario Analysis Consistent with International Energy Agency's Net Zero by 2050	46	45	For	Not held

Note

Where the voting record has not been provided at the fund level, we rely on periodic information provided by investment managers to identify the stocks held. This means it is possible that some of the votes listed above may relate to companies that were not held within the Scheme's pooled funds at the date of the vote. Equally, it is possible that there are votes not included above which relate to companies that were held within the Scheme's pooled funds at the date of the vote.