CGG Services (UK) Limited Pension Scheme

Implementation Statement

April 2021

Introduction

This document is designed to be used in conjunction with the Statement of Investment Principles (SIP) in order to quantify to what extent the principles laid out have been followed and implemented. This Implementation Statement will be based on the CGG Services Statement of Investment Principles signed in August 2020. The Trustees are comfortable that the SIP has been followed effectively throughout the last year.

As the CGG Services Pension Scheme is a DB only scheme this Implementation Statement will focus on engagement and voting in relation to the stated beliefs.

Changes to beliefs over the last year

Following the signing of the Statement of Investment Principles (SIP) in August 2020 the Trustees reviewed their ESG beliefs and made a minor change to their beliefs on non-financial matters, acknowledging that their may be scenarios where there is significant member concern for an issue which would justify a consideration within the investments despite a potential financial detriment. The policy now reads:

Non-financial matters

Non-financial matters may be considered if the Trustees have good reason to think that a majority of the members would share the concern

This change will be reflected in a new SIP due to be signed in April 2021, and the new beliefs have been shared with the Trustees investment managers who have confirmed that they act in line with these beliefs.

Ability to use voting rights

The scheme exclusively invests in pooled funds, and as such is not able to directly use the voting rights attached to their investments. The Trustees therefore rely on their investment managers to use these voting rights in accordance with the Trustees beliefs. The Trustees are aware that their ability to influence the managers is limited, however the Trustees consider the beliefs of the managers when making decisions around the hiring and retention of investment managers, and the Trustees provide their beliefs to the investment managers for review, as well as collecting the beliefs and voting activities of the managers, in order to ensure the Trustees views remain aligned with that of their investment managers. The Trustees have not identified any conflicts at this time.

Engagement record

The Trustees have collected voting records from their investment managers for the year 2020, which have been summarised in the table below. The Trustees are satisfied that their investment managers are active users of their voting rights.

Investment Manager	Voting statistics	Jan-Dec 2020	
		Absolute term	**%**
BMO	Not Applicable	n/a	n/a
Janus Henderson	Not Applicable	n/a	n/a
Loomis Sayles	Not Applicable	n/a	n/a
Schroder	Not Applicable	n/a	n/a
Ninety One - Diversified Growth fund	**Total # of meetings**	**150**	
	# of resolutions: eligible to vote	1,794	
	# of resolutions: voted	1,629	90.80%
	voted in favour of management	1,487	91.31%
	voted against management	104	6.36%
	Abstained	38	2.33%
	# meetings voted against management at least once	50	33.33%
	# of resolutions voted against proxy adviser	65	4.00%
BNY Newton - Real Return Fund	**Total # of meetings**	**84**	
	AGMs	71	
	EGMs	13	
	# of resolutions: eligible to vote	1,179	
	# of resolutions: voted	1,170	99.20%
	voted in favour of management	1,000	85.50%
	voted against management	170	14.50%
	Abstained	0	
	# meetings voted against management at least once	34	41.00%
	# of resolutions voted against proxy adviser	109	9.30%
L&G - Global Equity (ex UK) Fixed Weights Equity Index Fund	**Total # of meetings**	**2,495**	
	# of resolutions: eligible to vote	30,147	
	# of resolutions: voted	30,135	99.96%
	voted in favour of management	23,987	79.60%
	voted against management	6,105	20.26%
	Abstained	42	0.14%
	# meetings voted against management at least once	1,935	6.42%
	# of resolutions voted against proxy adviser	81	0.27%

Investment Manager	Voting statistics	Jan-Dec 2020	
		Absolute term	**%**
L&G - Global Emerging Markets Equity Index Fund	**Total # of meetings**	**5,003**	
	# of resolutions: eligible to vote	43,727	
	# of resolutions: voted	43,626	99.77%
	voted in favour of management	36,171	82.91%
	voted against management	6,819	15.63%
	Abstained	637	1.46%
	# meetings voted against management at least once	297	5.93%
	# of resolutions voted against proxy adviser	13	0.03%
L&G - UK Equity Index Fund	**Total # of meetings**	**894**	
	# of resolutions: eligible to vote	12,468	
	# of resolutions: voted	12,468	100.00%
	voted in favour of management	11,610	93.12%
	voted against management	857	6.87%
	Abstained	1	0.01%
	# meetings voted against management at least once	29	3.24%
	# of resolutions voted against proxy adviser	96	0.77%

Manager Voting Behaviour

The Trustees have also collated significant votes from the Fund Managers exercising voting rights in 2020. Having reviewed these significant votes the Trustees are comfortable that their investment managers are acting in line with their beliefs as laid out in the approved Statement of Investment Principles.

The following pages explain in detail how the Fund Manager engaged with the investee companies and why they consider their voting significant for the Trustees.

Ninety One - Diversified Growth Fund	VOTE 1	VOTE 2	VOTE 3
Company name	Citigroup Inc.	Bank of America Corporation	Johnson & Johnson
Date of vote	21/04/2020	22/04/2020	23/04/2020
Summary of the resolution	Report on Lobbying Payments and Policy	Report on Gender Pay Gap	Report on Governance Measures Implemented Related to Opioids
How you voted	Against	Against	For
Where you voted against management, did you communicate your intent to the company ahead of the vote?	Voted with management	Voted with management	Voted with management
Rationale for the voting decision	The company is disclosing adequate information for shareholders to be able to assess its engagement in the political process and its management of related risks.	Global median gender/racial pay gap" report would not produce meaningful information about worker fairness because categories of underrepresented minorities differ from country to country	Shareholders would benefit from more specific information about proactive steps the board is taking to mitigate risks related to the manufacture and marketing of opioid-related products, and that incentives are aligned with the health of the communities it serves.
Outcome of the vote	Passed	Failed	Passed
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?			We will continue closely monitoring similar issues
On which criteria have you assessed this vote to be "most significant"?	Thematic Vote/Shareholder Proposal - Social	Thematic Vote/Shareholder Proposal - Social/Diversity	Controversial vote that garnered media interest - Thematic Vote/Shareholder Proposal

Ninety One - Diversified Growth Fund	VOTE 4	VOTE 5	VOTE 6
Company name	The Walt Disney Company	A-Living Services Co., Ltd.	JPMorgan Chase & Co.
Date of vote	11/03/2020	17/03/2020	19/05/2020
Summary of the resolution	Report on Lobbying Payments and Policy	Approve CMIG PM Agreement and Related Transactions	Report on Climate Change
How you voted	For	For	For
Where you voted against management, did you communicate your intent to the company ahead of the vote?	Voted with management	Voted with management	No engagement pre-AGM
Rationale for the voting decision	Additional disclosure of the company's indirect lobbying-related oversight mechanisms, along with its trade association payments, would help shareholders better assess the risks and benefits associated with the company's participation in the public policy process.		Shareholders would benefit from additional information on the company's plans regarding aligning its GHG emissions with the Paris Agreement climate goals.
Outcome of the vote	Failed	Passed	Not available
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?			
On which criteria have you assessed this vote to be "most significant"?	Thematic Vote/Shareholder Proposal - Social	Significant corporate transactions that have a material impact on future company performance (approval of a merger)	Thematic Vote - Climate

Ninety One - Diversified Growth Fund	VOTE 7	VOTE 8	VOTE 9
Company name	The Home Depot, Inc.	Coca-Cola European Partners Plc	The TJX Companies, Inc.
Date of vote	21/05/2020	27/05/2020	09/06/2020
Summary of the resolution	Report on Congruency Political Analysis and Electioneering Expenditures	Authorise EU Political Donations and Expenditure	Report on Reduction of Chemical Footprint
How you voted	For	For	For
Where you voted against management, did you communicate your intent to the company ahead of the vote?	No engagement pre-AGM	Voted with management	No engagement pre-AGM
Rationale for the voting decision	The requested report would be beneficial for shareholders in orderto help them evaluate how well the company is assessing and mitigating risks related to its political communicationexpenditures	The Company states that it does not intend to make overtly political payments but is making this technical proposal in order to avoid inadvertent contravention of EU legislation.	Shareholders would benefit from a better understanding of steps the company is taking to mitigate its risks related to toxic chemicals
Outcome of the vote	Failed	Passed	Failed
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?			We contimue to require adequate disclosure
On which criteria have you assessed this vote to be "most significant"?	Thematic Vote/Shareholder Proposal - Social	Thematic Vote/Shareholder Proposal - Social/Politics	Thematic Vote - Climate

Ninety One - Diversified Growth Fund

VOTE 10

Company name	Unilever Plc
Date of vote	12/10/2020
Summary of the resolution	Approve the Cross-Border Merger between Unilever PLC and Unilever N.V.
How you voted	For
Where you voted against management, did you communicate your intent to the company ahead of the vote?	Voted with management
Rationale for the voting decision	The proposal to unify the Company's structure through a cross-border merger into Unilever plc has a strong strategic rationale, including simplifying Unilever's complex dual-headed structure and the increased optionality it would give the Company in terms of M&A and other business transactions; ⍰ The Group's listings on the Amsterdam, London and New York stock exchanges will be maintained, and the Company has stated there will be no change to the operations, locations, activities or staffing levels in either the UK or The Netherlands as a result of the proposed unification.
Outcome of the vote	Passed
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	
On which criteria have you assessed this vote to be "most significant"?	Significant corporate transactions that have a material impact on future company performance (approval of a merger)

BNY Mellon Real Return	**VOTE 1**	**VOTE 2**	**VOTE 3**
Company name	LEG Immobilien AG	Microsoft Corporation	Linde plc
Date of vote	19/08/2020	02/12/2020	27/07/2020
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	1.31	1.26	1.12
Summary of the resolution	Remuneration policy	Elect Director, Advisory Vote to Ratify Named Executive Officers' Compensation and Ratify Deloitte & Touche LLP as Auditors	Executive compensation arrangements and election of directors.
How you voted	AGAINST	AGAINST	AGAINST
Where you voted against management, did you communicate your intent to the company ahead of the vote?	No	Yes	No
Rationale for the voting decision	We voted against the proposed pay arrangements on account of their lack of alignment with performance. The executive Long-term compensation scheme was entirely cash-based, and although this was indicated to be performance-linked, no disclosure was provided on performance targets. With targets not being disclosed, we were concerned that long- term awards could vest for below-median poor performance. Furthermore, the introduction of special remuneration awards through transaction-based bonuses were not considered to be ideal for promoting talent retention due to these generally being one-off in nature	Despite improvements to executive remuneration practices over recent years, we remained concerned that approximately half of long-term pay awards vest irrespective of performance. We voted against the executive compensation arrangements and against the three members of the compensation committee. We also voted against the re-appointment of the company's external auditor given that its independence was jeopardised by having served in this role for 37 consecutive years.	We decided to vote against the advisory vote on executive compensation, and against the members of the remuneration committee members. A majority of long-term pay awards vest based on time served, which means executive pay is not subject to rigorous performance conditions and therefore not aligned with shareholders' interests. In addition, some of the perks to the CEO seem unnecessary and excessive, including the use of company aircraft for personal purposes, financial planning expenditures, and additional years of service credits beyond time served at the company being considered to calculate his pension benefit.
Outcome of the vote	22.2% AGAINST Approve Remuneration Policy	1.1%, 0.9%, 0.3%, AGAINST compensation committee members, 3.9% AGAINST reappointment of the auditor, 5.3% AGAINST executive officers' compensation	1.8% AGAINST elect Director 7.6% AGAINST elect Director 2.1% AGAINST elect Director 8.2% AGAINST elect Director 9.8% AGAINST elect Director 40% AGAINST elect Director 9.6% AGAINST Advisory Vote to Ratify Named Executive Officers' Compensation

BNY Mellon Real Return	VOTE 4	VOTE 5	VOTE 6
Company name	NIKE, Inc.	Medtronic plc	Mastercard Incorporated
Date of vote	17/09/2020	11/12/2020	16/06/2020
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	1.05	1.01	0.93
Summary of the resolution	Advisory Vote to Ratify Named Executive Officers'Compensation, Ratify PricewaterhouseCoopers LLP as Auditors and Report on Political Contributions Disclosure.	Elect Director, Approve PricewaterhouseCoopers LLP as Auditors and Authorize Board to Fix Their Remuneration and Advisory Vote to Ratify Named Executive Officers' Compensation	Advisory Vote to Ratify Named Executive Officers' Compensation, Elect Board Directors (members of the compensation committee), Ratify PricewaterhouseCoopers LLP as Auditors
How you voted	AGAINST management proposals and FOR shareholder proposal	AGAINST	AGAINST
Where you voted against management, did you communicate your intent to the company ahead of the vote?	No	No	No
Rationale for the voting decision	We voted against management on a number of resolutions. We voted against the appointment of the external audit firm owing to it serving the company for 46 consecutive years. We believe this compromises independence and objectivity. Votes were also instructed against the ratification of the executive compensation arrangements. Our chief concern was that fewer than 50% of long-term pay awards were subject to the achievement of performance conditions. Finally, we supported a shareholder resolution requesting enhanced disclosures on political contributions. While the company's disclosures offer some insight into the contributions made and the governance framework surrounding this risk, we felt that the proposal would offer increased transparency of the company's relationships with trade associations and would bring its disclosures in line with better-performing peers.	A significant proportion of executives' long-term compensation awards vest regardless of performance. Where performance conditions determine vesting, the performance targets are not considered stretching. Additionally, we were also concerned with a further long-term compensation scheme as it allows awards to vest for cash rather than equity. We voted against the advisory vote on executive compensation and against the re-election to the board of five members of the compensation committee. We also voted against the appointment of the external auditor owing to the firm having served in this capacity for 57 consecutive years, which jeopardises the firm's ability to exercise independent judgement.	Votes were instructed against the executive compensation structure and the members of the compensation committee. We were concerned that a significant proportion of the long-term pay awards are subject only to time served and not performance. We also voted against the appointment of the auditor as it had been in place for 30 years which raised concerns surrounding independence.
Outcome of the vote	46% AGAINST Advisory Vote to Ratify Named Executive Officers' Compensation 3.6% AGAINST Ratify PricewaterhouseCoopers LLP as Auditors 34.4% FOR Report on Political Contributions Disclosure	6.4%, 1.5%, 3.4%, 2.6%, 14.3% AGAINST compensation committee members, 5.5% AGAINST reappointment of the auditor, 8.3% AGAINST executive officers' compensation	2.0%, 3.3%, 1.1%, 1.1%, 0.3% and 0.2% AGAINST compensation committee members; 3.7% AGAINST ratification of PwC; 4.5% AGAINST executive compensation

BNY Mellon Real Return	VOTE 7	VOTE 8	VOTE 9
Company name	The Goldman Sachs Group	Zurich Insurance Group	Alibaba Group Holdings Limited
Date of vote	30/04/2020	01/04/2020	30/09/2020
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.87	0.87	0.83
Summary of the resolution	Vote to Ratify PriceWaterhouseCoopers LLP as Auditors, Shareholder Proposal to provide right to act by way of written consent and a Shareholder Proposal that the Directors conduct a review of Statement on the Purpose of a Corporation	Transact Other Business (Voting)	Elect Directors
How you voted	FOR shareholder proposals	AGAINST	AGAINST
Where you voted against management, did you communicate your intent to the company ahead of the vote?	Yes	No	No
Rationale for the voting decision	We supported two shareholder resolutions which management recommended voting against.The first resolution related to improving minority shareholder rights by allowing the right to act through written consent. This would provide an opportunity for matters to be raised and approved outside regularly held AGMs.The second resolution was a request that the board of directors conduct a review of the company's governance arrangements in the context of its support of the US Business Roundtable's 'Statement on the Purpose of a Corporation'. While we accept that the company has responded in part to these commitments, it does not have governance documents that detail how trade-offs and prioritisation between different stakeholders are managed, which is a key component of a multi-stakeholder management approach. We also voted against the appointment of the auditor owing to long tenure. The firm had been in place since 1922, which brings into question its independence.	We voted against a resolution requesting shareholder approval for "other business" to be transacted at the AGM. No infomration or comfort was provided ahead of the meeting.	We voted against the two members of the governance committee who were seeking re-election given our concern surrounding the low level of independence on the board.
Outcome of the vote	4.6% AGAINST auditor, 41.4% FOR shareholder proposal to provide right to act by way of written consent and 5.8% FOR shareholder proposal to conduct review of Statement on the Purpose of a Corporation.	Not reported	19.7% AGAINST elect director 18.6% AGAINST elect director

BNY Mellon Real Return	VOTE 10
Company name	Unilever NV
Date of vote	30/04/2020
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.81
Summary of the resolution	Advisory Vote to Ratify Named Executive Officers' Compensation, re-elect non-executive directors
How you voted	AGAINST
Where you voted against management, did you communicate your intent to the company ahead of the vote?	Yes
Rationale for the voting decision	Votes were instructed against the remuneration report and members of the remuneration committee. Our first concern was with the ‘co-investment plan’, into which directors must invest at least one third of their annual bonus. This means that if no bonuses are awarded, executives have no long-term incentive, which may force bonuses to be awarded more generously than deserved in order to provide executives with a meaningful long-term award. Secondly, variable pay awards continue to be determined as a multiple of fixed pay into which other benefits like pensions are bundled, rather than as a multiple of base salary.
Outcome of the vote	3.6% AGAINST approve remuneration report 1.5% AGAINST re-elect non-executive director 0.8% AGAINST re-elect non-executive director

BNY Mellon Real Return	VOTE 1	VOTE 2	VOTE 3
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	The vote outcome is considered significant owing to more than 20% of votes being instructed against its approval. It is likely that the company will seek to address concerns in an effort to avoid similar or higher future dissent.	The vote outcome demonstrates shareholders are not overly concerned with the company's executive pay arrangements. However, our engagement with the company over multiple years shows that pay arrangements have been improving and are expected to continue to improve. We look forward to supporting the company's executive pay proposals as these improvements are implemented.	We did not consider the vote outcome on the pay resolution to be material and of a level where the company is expected to address concerns. However, the election of one director that received 40% of votes against warrants further consideration.
On which criteria have you assessed this vote to be "most significant"?	We believe investor scrutiny of pay arrangements is increasing. The significance of the high vote against is important to note given that a majority of pay proposals from companies rarely see such high levels of dissent.	The company is recognised as a leader among its US peers in terms of its approach to corporate governance. It's executive pay structure is also better than most but there exists fundamental improvements that should be made.	We expect 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. In addition, director election rarely achieve such a high level of dissent as seen by one nominee receiving a 40% vote against

BNY Mellon Real Return	VOTE 4	VOTE 5	VOTE 6
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	With close to a majority of shareholders voting against the executive pay pracices, the company will need to conduct a fundamental review of its pay practices. In addition, the significant level of support for the company to improve its reporting of political contributions suggests that the company will also need to review its approach to this matter. We expect to encourage improvements through our voting decisions.	The outcome of the pay-related votes is likely to generate discussion within the company, particularly given the level of dissent in relation to the re-election of one board director. We will continue to recognise formally our concern in relation to the pay structure through the exercise of voting rights. While the level of opposition to the long-tenured auditor was minor, we expect this to increase as audit quality rises up the agenda for investors.	We did not consider the vote outcome on the pay resolutions to be material and of a level where the company is expected to address concerns. However, we expect domestic investors voting policies to change over time on this topic.
On which criteria have you assessed this vote to be "most significant"?	Only a few companies, globally, receive such a high level of shareholder dissent in relation to pay practices.	We expect 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.	The company's approach was a breach of the UK's corporate governance code, including the absence of an explanation justifying the move.

BNY Mellon Real Return	VOTE 7	VOTE 8	VOTE 9
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	The near majority support for the shareholder propsal cannot be ignored by the company and should result in this basic right to be introduced. It is unlikely that shareholders will exercise this right but as it is considered an additional tool that can help improve the effectiveness of engagement activities.	This is a routine resolution item proposed by Swiss companies. Without comfort provided as to the nature of matters that may be raised and approved under this item, we will continue to vote against its approval.	Given the register of the company's shareholders, a voting outcome of close to 20% is a clear indication of non-domestic investors' concern with the company's board structure. We will continue to demonstrate our concern formally through the exercise of voting rights and when engaging, should we have the latter opportunity.
On which criteria have you assessed this vote to be "most significant"?	The US Business Roundtable statement on corporate purpose received significant public attention when published and appears to have not been actioned by those company's, including Goldman Sachs, that supported the statement.	This highlights a significant insight into the Swiss market and its fundamental approach to protecting the interests of minority investors.	This vote clearly highlighted an area of contention for the company's non-domestic shareholders and a matter where improvements could increase the company's attractiveness to foreign investors.

BNY Mellon Real Return	VOTE 10
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	The vote outcome was such that the company is unlikely to instigate further consultation with shareholders on this matter. We will continue to monitor the company's pay structure and exercise our stewardship responsibilities in line with our beliefs and expectations.
On which criteria have you assessed this vote to be "most significant"?	We considered this a significant vote given the attention the subject receives from investors and wider stakeholders and that certan elements of the pay structure is not in line with established UK best practice.

L&G - Global Equity (ex UK) Fixed Weights Equity Index Fund	VOTE 1	VOTE 2	VOTE 3
Company name	Qantas Airways Limited	Whitehaven Coal	Lagardere
Date of vote	23-Oct-20	22-Oct-20	05-May-20
Approximate size of fund's holding as at the date of the vote (as % of portfolio)			
Summary of the resolution	Resolution 3 Approve participation of Alan Joyce in the Long-Term Incentive Plan Resolution 4 Approve Remuneration Report.	Resolution 6 Approve capital protection. Shareholders are asking the company for a report on the potential wind-down of the company's coal operations, with the potential to return increasing amounts of capital to shareholders.	Shareholder resolutions A to P. Activist Amber Capital, which owned 16% of the share capital at the time of engagement, proposed 8 new directors to the Supervisory Board (SB) of Lagardere, as well as to remove all the incumbent directors (apart from two 2019 appointments)
How you voted	LGIM voted against resolution 3 and supported resolution 4.	LGIM voted for the resolution.	LGIM voted in favour of five of the Amber-proposed candidates (resolutions H,J,K,L,M) and voted off five of the incumbent Lagardere SB directors (resolutions B,C,E,F,G).
Where you voted against management, did you communicate your intent to the company ahead of the vote?	Given our engagement, LGIM's Investment Stewardship team communicated the voting decision directly to the company before the AGM and provided feedback to the remuneration committee.	LGIM publicly communicates its vote instructions 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.	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.

L&G - Global Equity (ex UK) Fixed Weights Equity Index Fund	VOTE 4	VOTE 5	VOTE 6
Company name	Medtronic plc	Olympus Corporation	Fast Retailing Co. Limited.
Date of vote	11-Dec-20	30-Jul-20	26-Nov-20
Approximate size of fund's holding as at the date of the vote (as % of portfolio)			
Summary of the resolution	Resolution 3 - Advisory Vote to Ratify Named Executive Officers' Compensation.	'Resolution 3.1: Elect Director Takeuchi, Yasuo' at the company's annual shareholder meeting held on 30 July 2020.	Resolution 2.1: Elect Director Yanai Tadashi.
How you voted	LGIM voted against the resolution.	We voted against the resolution.	LGIM voted against the resolution.
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions 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.	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.	LGIM publicly communicates its vote instructions 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.

L&G - Global Equity (ex UK) Fixed Weights Equity Index Fund	VOTE 7	VOTE 8	VOTE 9
Company name	Amazon	Cardinal Health	ExxonMobil
Date of vote	27-May-20	04-Nov-20	27-May-20
Approximate size of fund's holding as at the date of the vote (as % of portfolio)			
Summary of the resolution	Shareholder resolutions 5 to 16	Resolution 3, Advisory Vote to Ratify Named Executive Officers' Compensation.	Resolution 1.10 - Elect Director Darren W. Woods
How you voted	Of 12 shareholder proposals, we voted to support 10. We looked into the individual merits of each individual proposal, and there are two main areas which drove our 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).	LGIM voted against the resolution.	Against
Where you voted against management, did you communicate your intent to the company ahead of the vote?	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.	LGIM publicly communicates its vote instructions 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.	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.

L&G - Global Equity (ex UK) Fixed Weights Equity Index Fund	VOTE 10
Company name	The Procter & Gamble Company (P&G)
Date of vote	13-Oct-20
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	
Summary of the resolution	Resolution 5 Report on effort to eliminate deforestation.
How you voted	LGIM voted in favour of the resolution.
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions 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.

L&G - Global Equity (ex UK) Fixed Weights Equity Index Fund	VOTE 1	VOTE 2	VOTE 3
Rationale for the voting decision	The COVID crisis has had an impact on the Australian airline company's financials. In light of this, the company raised significant capital to be able to execute its recovery plan. It also cancelled dividends, terminated employees and accepted government assistance. The circumstances triggered extra scrutiny from LGIM as we wanted to ensure the impact of the COVID crisis on the company's stakeholders was appropriately reflected in the executive pay package. In collaboration with our Active Equities team, LGIM's Investment Stewardship team engaged with the Head of Investor Relations of the company to express our concerns and understand the company's views. The voting decision ultimately sat with the Investment Stewardship team. We supported the remuneration report (resolution 4) given the executive salary cuts, short-term incentive cancellations and the CEO's voluntary decision to defer the vesting of the long-term incentive plan (LTIP), in light of the pandemic.However, our concerns as to the quantum of the 2021 LTIP grant remained, especially given the share price at the date of the grant and the remuneration committee not being able to exercise discretion on LTIPs, which is against best practice. We voted against resolution 3 to signal our concerns.	The role of coal in the future energy mix is increasingly uncertain, due to the competitiveness of renewable energy, as well as increased regulation: in Q4 2020 alone three of Australia's main export markets for coal - Japan, South Korea and China - have announced targets for carbon neutrality around 2050. 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, the phase-out of coal will be key to reaching these global targets.	Proposals by Amber were due to the opinion that the company strategy was not creating value for shareholders, that the board members were not sufficiently challenging management on strategic decisions, and for various governance failures. The company continues to have a commandite structure; a limited partnership, which means that the managing partner has a tight grip on the company, despite only having 7 % share capital and 11% voting rights. LGIM engages with companies on their strategies, any lack of challenge to these, and with governance concerns. The company strategy had not been value-enhancing and the governance structure of the company was not allowing the SB to challenge management on this. Where there is a proxy contest, LGIM engages with both the activist and the company to understand both perspectives. LGIM engaged with both Amber Capital, where we were able to speak to the proposed new SB Chair, and also Lagardere, where we spoke to the incumbent SB Chair. This allowed us to gain direct perspectives from the individual charged with ensuring their board includes the right individuals to challenge management.
Outcome of the vote	About 90% of shareholders supported resolution 3 and 91% supported resolution 4. The meeting results highlight LGIM's stronger stance on the topic of executive remuneration, in our view.	The resolution did not pass, as a relatively small amount of shareholders (4%) voted in favour. However, the environmental profile of the company continues to remain in the spotlight: in late 2020 the company pleaded guilty to 19 charges for breaching mining laws that resulted in significant environmental harm. As the company is on LGIM's Future World Protection List of exclusions, many of our ESG-focused funds and select exchange-traded funds were not invested in the company.	Even though shareholders did not give majority support to Amber's candidates, its proposed resolutions received approx. between 30-40% support, a clear indication that many shareholders have concerns with the board. (Source: ISS data)

L&G - Global Equity (ex UK) Fixed Weights Equity Index Fund	VOTE 4	VOTE 5	VOTE 6
Rationale for the voting decision	Following the end of the financial year, executive directors were granted a special, one-off award of stock options to compensate for no bonus being paid out during the financial year. LGIM voted against the one-off payment as we are not supportive of one-off awards in general and in particular when these are awarded to compensate for a payment for which the performance criterion/criteria were not met. Prior to the AGM we engaged with the company and clearly communicated our concerns over one-off payments.	Japanese companies in general have trailed behind European and US companies, as well as companies in other countries, in ensuring more women are appointed to their boards. The lack of women is also a concern below board level. LGIM have for many years promoted and supported an increase of women on boards, at the executive level and below. On a global level we consider that every board should have at least one female director. We deem this a de minimis standard. Globally, we aspire to all boards comprising 30% women. Last year in February we sent letters to the largest companies in the MSCI Japan which did not have any women on their boards or at executive level, indicating that we expect to see at least one woman on the board. One of the companies targeted was Olympus Corporation. In the beginning of 2020, we announced that we would commence voting against the chair of the nomination committee or the most senior board member (depending on the type of board structure in place) for those companies included in the TOPIX100. We opposed the election of this director in his capacity as a member of the nomination committee and the most senior member of the board, in order to signal that the company needed to take action on this issue.	Japanese companies in general have trailed behind European and US companies, as well as companies in other countries in ensuring more women are appointed to their boards. A lack of women employed is also a concern below board level. LGIM has for many years promoted and supported an increase of appointing more women on boards, at the executive level and below. On a global level we consider that every board should have at least one female director. We deem this a de minimis standard. Globally, we aspire to all boards comprising 30% women. In the beginning of 2020, we announced that we would vote against the chair of the nomination committee or the most senior board member (depending on the type of board structure in place) for companies included in the TOPIX100 where these standards were not upheld. We opposed the election of this director in his capacity as a member of the nomination committee and the most senior member of the board, in order to signal that the company needed to act on this issue.
Outcome of the vote	The voting outcome was as follows: For: 91.73%; against: 8.23%.	94.90% of shareholders supported the election of the director	Shareholders supported the election of the director.

L&G - Global Equity (ex UK) Fixed Weights Equity Index Fund	VOTE 7	VOTE 8	VOTE 9
Rationale for the voting decision	In addition to facing a full slate of proxy proposals, in the two months leading up to the 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 our engagements leading up to the proxy vote. Our team has had multiple engagements with Amazon over the past 12 months. The topics of our engagements touched most aspects of ESG, with an emphasis on social topics: Governance: Separation of CEO and board chair roles, plus the desire for directors to participate in engagement meetings Environment: Details about the data transparency committed to in their 'Climate Pledge' Social: Establishment of workplace culture, employee health and safety 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. We 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	The company paid out an above target bonus to the CEO, the same year it recorded a total pre-tax charge of $5.63 billion ($5.14 billion after tax) for expected opioid settlement costs during the fiscal year ended 30 June, 2020. The Compensation Committee excluded the settlement costs from the earnings calculations which resulted in executive pay being boosted. Further, the current CEO was head of pharma globally during the worst years of the opioid crisis. Accountability would therefore have been expected. LGIM has in previous years voted against executives' pay packages due to concerns over the remuneration structure not comprising a sufficient proportion of awards assessed against the company's performance. We voted against the resolution to signal our concern over the bonus payment to the CEO in the same year the company recorded the charge for expected opioid settlement.	In June 2019, under our annual 'Climate Impact Pledge' ranking of corporate climate leaders and laggards, we announced that we will be removing ExxonMobil from our 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, we also announced we will be supporting shareholder proposals for an independent chair and a report on the company's political lobbying. Due to recurring shareholder concerns, our voting policy also sanctioned the reappointment of the directors responsible for nominations and remuneration.
Outcome of the vote	Resolution 5 to 8, and 14 to 16 each received approx. 30% support from shareholders. Resolutions 9 and 10 received respectively 16.7 and 15.3% support. Resolution 11 received 6.1% support. Resolution 12 received 1.5 % support. Resolution 13 received 12.2% support. (Source: ISS data)	The resolution encountered a significant amount of oppose votes from shareholders, with 38.6% voting against the resolution and 61.4% supporting the proposal.	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)

L&G - Global Equity (ex UK) Fixed Weights Equity Index Fund	VOTE 10
Rationale for the voting decision	P&G uses both forest pulp and palm oil as raw materials within its household goods products. The company has only obtained certification from the Roundtable on Sustainable Palm Oil for one third of its palm oil supply, despite setting a goal for 100% certification by 2020. Two of their Tier 1 suppliers of palm oil were linked to illegal deforestation. Finally, the company uses mainly Programme for the Endorsement of Forest Certification (PEFC) wood pulp rather than Forestry Stewardship Council (FSC) certified wood pulp. Palm oil and Forest Pulp are both considered leading drivers of deforestation and forest degradation, which is responsible for approximately 12.5% of greenhouse gas emissions that contribute to climate change. The fact that Tier 1 suppliers have been found to have links with deforestation calls into question due diligence and supplier audits. Only FSC certification offers guidance on land tenure, workers', communities and indigenous people's rights and the maintenance of high conservation value forests. LGIM engaged with P&G to hear its response to the concerns raised and the requests raised in the resolution. We spoke to representatives from the proponent of the resolution, Green Century. In addition, we engaged with the Natural Resource Defence Counsel to fully understand the issues and concerns. Following a round of extensive engagement on the issue, LGIM decided to support the resolution. Although P&G has introduced a number of objectives and targets to ensure their business does not impact deforestation, we felt it was not doing as much as it could. The company
Outcome of the vote	The resolution received the support of 67.68% of shareholders (including LGIM).

L&G - Global Equity (ex UK) Fixed Weights Equity Index Fund	VOTE 1	VOTE 2	VOTE 3
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	We will continue our engagement with the company.	LGIM will continue to monitor this company.	LGIM will continue to engage with the company to understand its future strategy and how it will add value to shareholders over the long term, as well as to keep the structure of SB under review.
On which criteria (as explained in the cover email) have you assessed this vote to be "most significant"?	It highlights the challenges of factoring in the impact of the COVID situation into the executive remuneration package.	The vote received media scrutiny and is emblematic of a growing wave of green shareholder activism.	LGIM noted significant media and public interest on this vote given the proposed revocation of the company's board.

L&G - Global Equity (ex UK) Fixed Weights Equity Index Fund	VOTE 4	VOTE 5	VOTE 6
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to monitor this company.	LGIM will continue to engage with and require increased diversity on all Japanese company boards.	LGIM will continue to engage with and require increased diversity on all Japanese company boards, including Fast Retailing.
On which criteria (as explained in the cover email) have you assessed this vote to be "most significant"?	We believe it is contrary to best practice in general and our pay principles in particular to award one-off awards, especially if they are to compensate for a forgone payment.	This vote is deemed significant as LGIM considers it imperative that the boards of Japanese companies increase their diversity.	LGIM considers it imperative that the boards of Japanese companies increase their diversity.

L&G - Global Equity (ex UK) Fixed Weights Equity Index Fund	VOTE 7	VOTE 8	VOTE 9
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	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. Our engagement with the company continues as we push it to disclose more and to ensure it is adequately managing its broader stakeholders, and most importantly, its human capital.	LGIM continues to engage with US companies on their pay structures and has published specific pay principles for US companies.	We 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. Our 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.
On which criteria (as explained in the cover email) have you assessed this vote to be "most significant"?	The market attention was significant leading up to the AGM, with: 12 shareholder proposals on the table the largest number of any major US company this proxy season Diverse investor coalitions submitting and rallying behind the proposals, including global, different types of investors and first time co-filers/engagers Substantial press coverage with largely negative sentiment related to the company's governance profile and its initial management of COVID-19 Multiple state treasurers speaking out and even holding an online targeted pre-annual meeting investor forum entitled 'Workplace & Investor Risks in Amazon.com, Inc.'s COVID-19 Response'Anecdotally, the Stewardship team received more inquires related to Amazon than any other company this season.	We believe it is imperative that pay structures are aligned with company performance and that certain expenses over which directors have control and influence should not be allowed to be excluded in the calculation of their pay, in particular if these would be detrimental to the executive director(s) in question.	We voted against the chair of the board as part of LGIM's 'Climate Impact Pledge' escalation sanction.

L&G - Global Equity (ex UK) Fixed Weights Equity Index Fund	VOTE 10
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage with P&G on the issue and will monitor its CDP disclosure for improvement.
On which criteria (as explained in the cover email) have you assessed this vote to be "most significant"?	It is linked to LGIM's five-year strategy to tackle climate change and attracted a great deal of client interest.

L&G - Global Emerging Markets Equity Index Fund	**There were no significant votes made in relation to the securities held by this fund during the reporting period.**

SIGNIFICANT VOTES BY FUND MANAGERS

L&G - UK Equity Index Fund	VOTE 1	VOTE 2	VOTE 3
Company name	International Consolidated Airlines Group	Pearson	SIG plc.
Date of vote	07-Sep-20	18-Sep-20	09-Jul-20
Approximate size of fund's holding as at the date of the vote (as % of portfolio)			
Summary of the resolution	Resolution 8: Approve Remuneration Report' was proposed at the company's annual shareholder meeting held on 7 September 2020.	'Resolution 1: Amend remuneration policy' was proposed at the company's special shareholder meeting, held on 18 September 2020.	'Resolution 5: Approve one-off payment to Steve Francis' proposed at the company's special shareholder meeting held on 9 July 2020.
How you voted	We voted against the resolution.	We voted against the amendment to the remuneration policy.	We voted against the resolution.
Where you voted against management, did you communicate your intent to the company ahead of the vote?	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.	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.	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.

L&G - UK Equity Index Fund	VOTE 4	VOTE 5	VOTE 6
Company name	Barclays	Rank Group	Plus500 ltd.
Date of vote	07-May-20	11-Nov-20	16-Sep-20
Approximate size of fund's holding as at the date of the vote (as % of portfolio)			
Summary of the resolution	Resolution 29 - Approve Barclays' Commitment in Tackling Climate Change Resolution 30 - Approve ShareAction Requisitioned Resolution	Resolution 2 Approve the remuneration report; and resolution 3 Approve remuneration policy.	'Resolution 17: Approve Special Bonus Payment to CFO Elad Even-Chen' at the company's special shareholder meeting held on 16 September 2020.
How you voted	LGIM voted for resolution 29, proposed by Barclays and for resolution 30, proposed by ShareAction.	LGIM supported both resolutions.	We 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 awards and offers long-term incentives that remain outside best market practice in terms of long-term performance alignment.
Where you voted against management, did you communicate your intent to the company ahead of the vote?	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.	LGIM publicly communicates its vote instructions 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.	Given our concerns, LGIM directly notified the company of its vote intentions before the shareholder meeting.

L&G - UK Equity Index Fund	VOTE 1	VOTE 2	VOTE 3
Rationale for the voting decision	The COVID-19 crisis and its consequences on international transport have negatively impacted this airline company's financial performance and business model. At the end of March 2020, LGIM addressed a private letter to the company to state our support during the pandemic. We also encouraged the board to demonstrate restraint and discretion with its executive remuneration. As a result of the crisis, the company took up support under various government schemes. The company also announced a 30% cut to its workforce. On the capital allocation front, the company decided to withdraw its dividend for 2020 and sought shareholder approval for a rights issue of €2.75 billion at its 2020 AGM in order to strengthen its balance sheet. The remuneration report for the financial year to 31 December 2019 was also submitted to a shareholder vote. We were concerned about the level of bonus payments, which are 80% to 90% of their salary for current executives and 100% of their salary for the departing CEO. We noted that the executive directors took a 20% reduction to their basic salary from 1 April 2020. However, whilst the bonuses were determined at the end of February 2020 and paid in respect of the financial year end to December 2019, LGIM would have expected the remuneration committee to exercise greater discretion in light of the financial situation of the company, and also to reflect the stakeholder experience (employees and shareholders). Over the past few years, we have been closely engaging with the company, including on the topic of the succession of the CEO and	Pearson issued a series of profit warnings under its previous CEO. Yet shareholders have been continuously supportive of the company, believing that there is much value to be gained from new leadership and a fresh approach to their strategy. However, the company decided to put forward an all-or-nothing proposal in the form of an amendment to the company's remuneration policy. This resolution at the extraordinary general meeting (EGM) was seeking shareholder approval for the grant of a co-investment award, an unusual step for a UK company, yet if this resolution was not passed the company confirmed that the proposed new CEO would not take up the CEO role. This is an unusual approach and many shareholders felt backed into a corner, whereby they were keen for the company to appoint a new CEO, but were not happy with the plan being proposed. However, 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 new CEO. LGIM spoke with the chair of the board earlier this year, on the board's succession plans andprogress for the new CEO. We also discussed the shortcomings of the company's current remuneration policy. We also spoke with the chair directly before the EGM, and relayed our concerns that the performance conditions were weak and should be re-visited, to strengthen the financial underpinning of the new CEO's award. We also asked that the post-exit shareholding requirements were reviewed to be brought into line with our expectations for UK companies. In the absence of	The company wanted to grant their interim CEO a one-off award of £375,000 for work carried out over a two-month period (February - April). The CEO agreed to invest £150,000 of this payment in acquiring shares in the business, and the remaining £225,000 would be a cash payment. The additional payment was subject to successfully completing a capital-raising exercise to improve the liquidity of the business. The one-off payment was outside the scope of their remuneration policy and on top of his existing remuneration, and therefore needed shareholder support for its payment. LGIM does not generally support one-off payments. We believe that the remuneration committee should ensure that executive directors have a remuneration policy in place that is appropriate for their role and level of responsibility. This should negate the need for additional one-off payments. In this instance, there were other factors that were taken into consideration. The size of the additional payment was a concern because it was for work carried over a two-month period, yet was equivalent to 65% of his full-time annual salary. £225,000 was to be paid in cash at a time when the company's liquidity position was so poor that it risked breaching covenants of a revolving credit facility and therefore needed to raise additional funding through a highly dilutive share issue.
Outcome of the vote	28.4% of shareholders opposed the remuneration report.	At the EGM, 33% of shareholders voted against the co-investment plan and therefore, by default, the appointment of the new CEO.	The resolution passed. However, 44% of shareholders did not support it. We believe that with this level of dissent the company should not go ahead with the payment.

L&G - UK Equity Index Fund	VOTE 4	VOTE 5	VOTE 6
Rationale for the voting decision	The resolution proposed by Barclays sets out its long-term plans and has the backing of ShareAction and co-filers. We are particularly grateful to the Investor Forum for the significant role it played in coordinating this outcome.	The company and its stakeholders have been impacted by the COVID crisis. As an active owner and responsible investor, LGIM wants to ensure this is reflected in the executive remuneration package paid for this year. In addition, in 2018 the company granted 'block awards' long-term incentives (LTI) to the executives and committed not to grant any LTI awards until financial year 2022. After review of the remuneration policy, the remuneration committee asked shareholders to adopt a new LTI structure with the first award under this plan to be made in the 2021 financial year. We decided to support the remuneration report, which looks back at the remuneration earned during the financial year. We noted the remuneration committee's decision to apply a 20% deduction and cancel the planned increase of salaries of the executives and fees of the board members. No annual bonus was granted, given the performance of the company. LGIM was comfortable that the impact of COVID-19 had been appropriately reflected in the remuneration of the executives and therefore decided to support the remuneration report. Regarding the remuneration policy, our direct engagement with the company allowed us to better understand the rationale for the proposed changes to the LTIP. We took into account their concerns around retention, and the fact that there would be a substantial gap in the vesting of any long-term incentives if this plan was not approved. Notably, that the structure of the proposed LTIP was in line with LGIM's remuneration principles.	At its AGM on 16 September 2020, Plus500 proposed a number of pay-related proposals for shareholder approval. Amongst these, the board recommended the approval of a substantial discretionary bonus offered to the CFO of around ?4.2 million (around $1.2 million), for his successful work with Israeli tax authorities over a number of years, resulting in a significant tax-saving for shareholders. The bonus is in addition to his annual variable pay and outside the normal bonus structure. LGIM does not support one-off discretionary bonuses (or transaction bonuses) as these are not within the approved policy to reward the achievement of pre-set targets. Moreover, discussions with tax authorities and the obtaining of preferential tax structures for the company are seen as part of a CFO's day-to-day job and should not be remunerated separately. Instead, a preferential tax treatment will benefit future performance and will therefore be rewarded within annual bonus and long-term incentives in future performance years.
Outcome of the vote	Resolution 29 - supported by 99.9% of shareholders Resolution30 - supported by 23.9% of shareholders (source: Company website)	90.79% of shareholders supported resolution 2 and 96.4% supported resolution 3. However, it should be noted that a majority shareholder owned 56.15% of the voting rights shortly before the time of the vote. This remains an interesting outcome given the recommendation of a vote against both resolutions by influential proxy voting agency ISS.	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 for shareholder approval at the EGM to cover 2021 director pay (as is required under Israeli law).

L&G - UK Equity Index Fund	VOTE 1	VOTE 2	VOTE 3
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage closely with the renewed board.	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.	We 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.
On which criteria (as explained in the cover email) have you assessed this vote to be "most significant"?	LGIM considers this vote significant as it illustrates the importance for investors of monitoring our investee companies' responses to the COVID crisis.	Pearson has had strategy difficulties in recent years and is a large and well-known UK company. Given the unusual approach taken by the company and our outstanding concerns, we deem this vote to be significant.	The vote is high-profile and controversial.

L&G - UK Equity Index Fund	VOTE 4	VOTE 5	VOTE 6
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	The hard work is just beginning. Our 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. We 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.	Our engagement with the company on the topic of remuneration led to an informed vote decision by LGIM.	We will continue to monitor the company.
On which criteria (as explained in the cover email) have you assessed this vote to be "most significant"?	Since the beginning of the year there has been significant client interest in our voting intentions and engagement activities in relation to the 2020 Barclays AGM. We thank our clients for their patience and understanding while we undertook sensitive discussions and negotiations in private. We consider the outcome to be extremely positive for all parties: Barclays, ShareAction and long-term asset owners such as our clients.	It illustrates the complexity of remuneration practices and the importance of engagement. The media also expected this shareholder meeting would trigger a substantial amount of votes against.	There was a level of media interest regarding the withdrawal of the resolution. This, combined with the other shortcomings of this company in relation to the expectations of a company listed in London, make this a significant vote. Shareholder dissent to the resolution was sufficiently high that the proposal was withdrawn ahead of the AGM; this will result in the company being included in the UK Investment Association's Public Register.