

Knight Frank Staff Pension Fund

Engagement Policy Implementation Statement for the year ending 31 December 2021

Introduction

The Trustee Directors (the “Directors”) of the Knight Frank Staff Pension Fund (the “Fund”) have a fiduciary duty to consider their approach to the stewardship of the investments, to maximise financial returns for the benefit of members and beneficiaries over the long term. The Directors can promote an investment’s long-term success through monitoring, engagement and/or voting, either directly or through their investment managers.

This statement sets out how, and the extent to which, in the opinion of the Directors, the policies (set out in the Statement of Investment Principles) on the exercise of rights (including voting rights) attaching to the investments, and engagement activities have been followed during the year ending 31 December 2021. This statement also describes the voting behaviour by, or on behalf of, the Directors.

The Directors, in conjunction with their investment consultant, appoint their investment managers and choose the specific pooled funds to use in order to meet specific policies. They expect that their investment managers make decisions based on assessments about the financial characteristics of underlying investments (including environmental, social and governance (ESG) factors), and that they engage with issuers of debt or equity to improve their performance (and thereby the Fund’s performance) over an appropriate time horizon.

The Directors have decided not to take non-financial matters into account when considering their policy objectives.

Stewardship - monitoring and engagement

The Directors recognise that investment managers’ ability to influence the companies in which they invest will depend on the nature of the investment.

The Directors’ policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment managers and to encourage the managers to exercise those rights.

The Directors also delegate responsibility for engaging and monitoring investee companies to the investment managers and expect the investment managers to use their discretion to maximise financial returns for members and others over the long term.

As all of the investments are held in pooled vehicles, the Directors do not envisage being directly involved with peer to peer engagement in investee companies.

Investment manager engagement policies

The Fund's investment managers are expected to have developed and publicly disclosed an engagement policy. This policy, amongst other things, provides the Directors with information on how each investment manager engages in dialogue with the companies it invests in and how it exercises voting rights. It also provides details on the investment approach taken by the investment manager when considering relevant factors of the investee companies, such as strategy, financial and non-financial performance and risk, and applicable social, environmental and corporate governance aspects.

Links to each investment manager's engagement policy or suitable alternative is provided in the Appendix.

These policies are publicly available on each investment manager's website.

The latest available information provided by the investment managers (with mandates that contain equities) is as follows:

Engagement	LGIM UK Equity Index	LGIM North America Equity Index	LGIM North America Equity Index - GBP Hedged
Period	01/01/2021-31/12/2021	01/01/2021-31/12/2021	01/01/2021-31/12/2021
Number of companies engaged with over the year	175	124	130
Number of engagements over the year	280	186	196
Top two engagement topics	Remuneration Climate Change	Climate Change Climate Impact Pledge	Climate Change Climate Impact Pledge
Most significant company engagement over the year	See appendix	See appendix	See appendix

Engagement	LGIM Europe (ex UK) Equity Index	LGIM Europe (ex UK) Equity Index - GBP Hedged	LGIM Japan Equity Index
Period	01/01/2021-31/12/2021	01/01/2021-31/12/2021	01/01/2021-31/12/2021
Number of companies engaged with over the year	44	54	112
Number of engagements over the year	66	90	134
Top two engagement topics	Remuneration Climate Change	Remuneration Climate Change	Company Disclosure & Transparency LGIM ESG Score
Most significant company engagement over the year	See appendix	See appendix	See appendix

Engagement	LGIM Japan Equity Index - GBP Hedged	LGIM Asia Pac (ex Japan) Equity Index	LGIM Asia Pac (ex Japan) Equity Index - GBP Hedged
Period	01/01/2021-31/12/2021	01/01/2021-31/12/2021	01/01/2021-31/12/2021

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Number of companies engaged with over the year	112	33	33
Number of engagements over the year	134	40	40
Top two engagement topics	Company Disclosure & Transparency LGIM ESG Score	Company Disclosure & Transparency LGIM ESG Score	Company Disclosure & Transparency LGIM ESG Score
Most significant company engagement over the year	See appendix	See appendix	See appendix

Engagement	LGIM Emerging Market Equity Index	Ruffer Absolute Return Fund
Period	01/01/2021-31/12/2021	01/01/2021-31/12/2021
Number of companies engaged with over the year	87	24
Number of engagements over the year	144	25
Top two engagement topics	Company Disclosure & Transparency LGIM ESG Score	Climate Change Board Structure
Most significant company engagement over the year	See appendix	Arcelor Mittal

Exercising rights and responsibilities

The Directors recognise that different investment managers should not be expected to exercise stewardship in an identical way, or to the same intensity.

The investment managers are expected to disclose annually a general description of their voting behaviour, an explanation of the most significant votes cast and to report on the use of proxy voting advisers. The investment managers publish online the overall voting records of the firm on a regular basis.

All the investment managers use proxy advisers for the purposes of providing research, advice or voting recommendations that relate to the exercise of voting rights.

The Directors do not carry out a detailed review of the votes cast by or on behalf of their investment managers but rely on the requirement for their investment managers to provide a high-level analysis of their voting behaviour.

The Directors consider the proportion of votes cast, and the proportion of votes against management to be an important (but not the only) consideration of investor behaviour.

The latest available information provided by the investment managers are as follows:

Voting behaviour	LGIM UK Equity Index	LGIM North America Equity Index	LGIM North America Equity Index - GBP Hedged
Period	01/01/2021-31/12/2021	01/01/2021-31/12/2021	01/01/2021-31/12/2021
Number of meetings eligible to vote at	707	638	638
Number of resolutions eligible to vote on	9,923	7,846	7,846
Proportion of votes cast	100.0%	99.7%	99.7%
Proportion of votes for management	92.8%	71.0%	71.0%
Proportion of votes against management	7.2%	29.0%	29.0%
Proportion of resolutions abstained from voting on	0.0%	0.1%	0.1%

Voting behaviour	LGIM Europe (ex UK) Equity Index	LGIM Europe (ex UK) Equity Index - GBP Hedged	LGIM Japan Equity Index
Period	01/01/2021-31/12/2021	01/01/2021-31/12/2021	01/01/2021-31/12/2021
Number of meetings eligible to vote at	463	463	442
Number of resolutions eligible to vote on	7,665	7,665	5,306
Proportion of votes cast	100.0%	100.0%	100.0%
Proportion of votes for management	82.2%	82.2%	86.3%
Proportion of votes against management	17.5%	17.5%	13.7%
Proportion of resolutions abstained from voting on	0.4%	0.4%	0.0%

Voting behaviour	LGIM Japan Equity Index - GBP Hedged	LGIM Asia Pac (ex Japan) Equity Index	LGIM Asia Pac (ex Japan) Equity Index - GBP Hedged
Period	01/01/2021-31/12/2021	01/01/2021-31/12/2021	01/01/2021-31/12/2021
Number of meetings eligible to vote at	442	329	329
Number of resolutions eligible to vote on	5,306	2,308	2,308
Proportion of votes cast	100.0%	100.0%	100.0%

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Proportion of votes for management	86.3%	72.4%	72.4%
Proportion of votes against management	13.7%	27.3%	27.3%
Proportion of resolutions abstained from voting on	0.0%	0.3%	0.3%

Voting behaviour	LGIM Emerging Market Equity Index	Ruffer Absolute Return Fund
Period	01/01/2021-31/12/2021	01/01/2021-31/12/2021
Number of meetings eligible to vote at	3,627	95
Number of resolutions eligible to vote on	31,303	1,250
Proportion of votes cast	99.8%	100.0%
Proportion of votes for management	81.8%	91.8%
Proportion of votes against management	16.3%	6.5%
Proportion of resolutions abstained from voting on	1.9%	1.7%

Figures may not sum due to rounding.

Directors' assessment

The Directors have undertaken a review of each investment manager's engagement policy including their policies in relation to financially material considerations.

The Directors may also consider reports provided by other external ratings providers.

Where an investment manager has received a relatively low rating from the investment consultant or from other external rating providers, the Directors may consider whether to engage with the investment manager.

The Directors have reviewed the investment managers' policies relating to engagement and voting and how they have been implemented and have found them to be acceptable at the current time.

The Directors recognise that engagement and voting policies, practices and reporting, will continue to evolve over time and are supportive of their investment managers being signatories to the United Nations' Principles for Responsible Investment and the Financial Reporting Council's UK Stewardship Code 2020.

Appendix

Links to the Engagement Policies for each of the investment managers can be found here:

Investment manager	Engagement Policy (or suitable alternative)
Legal & General Investment Management	https://www.lgim.com/landg-assets/lgim/document-library/capabilities/lgim-engagement-policy.pdf
Insight Investment	https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/responsible-investment-policy.pdf#ribbonTabs
JP Morgan Asset Management	https://am.jpmorgan.com/content/dam/jpm-am-aem/global/en/sustainable-investing/sustainable-investing-statement.pdf
Ruffer LLP	https://www.ruffer.co.uk/-/media/Ruffer-Website/Files/Downloads/ESG/Ruffer-engagement-policy.pdf?la=en

Information on the most significant votes LGIM participated in during the year ending 31 December 2021 is shown below.

LGIM UK Equity Index	Vote 1	Vote 2	Vote 3
Company name	Imperial Brands plc	Informa Plc	EVRAZ Plc
Date of Vote	2021-02-03	2021-06-03	2021-06-15
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.6	0.3	0.2
Summary of the resolution	Resolutions 2 and 3, respectively, Approve Remuneration Report and Approve Remuneration Policy.	Resolution 3, Re-elect Stephen Davidson as Director Resolution 5, Re-elect Mary McDowell as Director Resolution 7, Re-elect Helen Owers as Director Resolution 11, Approve Remuneration Report	Resolution 3 Re-elect Alexander Abramov as Director

How the fund manager voted	LGIM voted against both resolutions (against management)	LGIM voted against Resolutions 3, 5, 7, and 11 (against management)	LGIM voted against the resolution (against management)
Where the fund manager voted against management, did they communicate their 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.		
Rationale for the voting decision	The company appointed a new CEO during 2020, who was granted a significantly higher base salary than his predecessor. A higher base salary has a consequential ripple effect on short- and long-term incentives, as well as pension contributions. Further, the company did not apply best practice in relation to post-exit shareholding guidelines as outlined by both LGIM and the Investment Association. An incoming CEO with no previous experience in the specific sector, or CEO experience at a FTSE100 company, should have to prove her or himself beforehand to be set a base salary at the level, or higher, of an outgoing CEO with multiple years of such experience. Further, LGIM would expect companies to adopt general best practice standards. Prior to the AGM, LGIM engaged with the	The company's prior three Remuneration Policy votes – in 2018, June 2020, and at a General Meeting that was called in December 2020 – each received high levels of dissent, with 35% or more of votes cast against. At the December 2020 meeting, the Remuneration Policy and the Equity Revitalisation Plan (EVP) received over 40% of votes against. The EVP was structured to award the CEO restricted shares to a value of 600% of salary. LGIM has noted our concerns with the company's remuneration practices for many years. Due to continued dissatisfaction, LGIM again voted against the proposed Policy at the December 2020 meeting. However, despite significant shareholder dissent at the 2018 and 2020 meetings, the company implemented the awards	LGIM views gender diversity as a financially material issue for our clients, with implications for the assets LGIM manage on their behalf. For 10 years, LGIM have been using our position to engage with companies on this issue. As part of our efforts to influence our investee companies on having greater gender balance, LGIM apply voting sanctions to those FTSE 350 companies that do not have a minimum of 30% women on the board. LGIM also apply voting sanctions to the FTSE 100 companies that do not have 30% women on their executive committee. For smaller companies LGIM expect at least one woman at board level.

	company outlining what our concerns over the remuneration structure were. LGIM also indicated that LGIM publish specific remuneration guidelines for UK-listed companies and keep remuneration consultants up to date with our thinking.	under the plan, a few weeks after the December meeting. Additionally, the Remuneration Committee has adjusted the performance conditions for the FY2018 long-term incentive plan (LTIP) awards while the plan is running, resulting in awards vesting where they would otherwise have lapsed. Due to consistent problems with the implementation of the company's Remuneration Policy and the most recent events as described above, LGIM has voted against the Chair of the Remuneration Committee for the past three years. Given the company has implemented plans that received significant dissent from shareholders without addressing persistent concerns, LGIM has taken the decision to escalate our vote further to all incumbent Remuneration Committee members, namely Stephen Davidson (Remuneration Committee Chair), Mary McDowell and Helen Owers.	
Outcome of the vote	Resolution 2 (Approve Remuneration Report) received 40.26% votes against, and 59.73% votes of support. Resolution 3 (Approve Remuneration Policy)	Resolution 3 53.4% of shareholders supported the resolution. Resolution 5 80% of shareholders supported the resolution. Resolution 7 78.1% of	82.8% of shareholders supported the resolution.

	received 4.71% of votes against, and 95.28% support.	shareholders supported the resolution. Resolution 11 38.3% of shareholders supported the resolution.	
Implications of the outcome	LGIM continues to engage with companies on remuneration both directly and via IVIS, the corporate governance research arm of The Investment Association. LGIM annually publishes remuneration guidelines for UK listed companies.	LGIM will continue to seek to engage with the company and monitor progress.	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
Criteria on which the vote is assessed to be "most significant"	LGIM are concerned over the ratcheting up of executive pay; and LGIM believe executive directors must take a long-term view of the company in their decision-making process, hence the request for executives' post-exit shareholding guidelines to be set.	LGIM consider this vote to be significant as LGIM took the rare step of publicly pre-declaring it before the shareholder meeting. Publicly pre-declaring our vote intention is an important tool for our engagement activities. LGIM decide to pre-declare our vote intention for a number of reasons, including as part of our escalation strategy, where LGIM consider the vote to be contentious, or as part of a specific engagement programme.	LGIM views gender diversity as a financially material issue for our clients, with implications for the assets LGIM manage on their behalf.
LGIM North America Equity Index and LGIM North America Equity Index - GBP Hedged	Vote 1	Vote 2	Vote 3
Company name	Facebook, Inc.	JPMorgan Chase & Co.	Johnson & Johnson
Date of Vote	2021-05-26	2021-05-18	2021-04-22

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Approximate size of fund's holding as at the date of the vote (as % of portfolio)	2.0	1.2	1.2
Summary of the resolution	Resolution 1.9 Elect Director Mark Zuckerberg	Resolution 1c Elect Director Todd A. Combs	Resolution 1e Elect Director Alex Gorsky
How the fund manager voted	LGIM withheld from voting on the resolution	LGIM voted against the resolution (against management)	LGIM voted against the resolution (against management)
Where the fund manager voted against management, did they communicate their 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.		
Rationale for the voting decision	LGIM has a longstanding policy advocating for the separation of the roles of CEO and board chair. These two roles are substantially different, requiring distinct skills and experiences. Since 2015 LGIM have supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 LGIM are voting against all combined board chair/CEO roles. Furthermore, LGIM have published a guide for boards on the separation of the roles of chair and CEO (available on our website), and LGIM have reinforced our position on leadership structures across our stewardship activities – e.g. via individual corporate engagements and director conferences.		
Outcome of the vote	97.2% of shareholders supported the resolution.	96.1% of shareholders supported the resolution.	93.4% of shareholders supported the resolution.
Implications of the outcome	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.		
Criteria on which the vote is assessed to be “most significant”	LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote).		

**LGIM Europe
(ex UK) Equity
Index and
LGIM Europe
(ex UK) Equity
Index - GBP
Hedged**

	Vote 1	Vote 2	Vote 3
Company name	Total SE	Kering SA	Atlas Copco AB
Date of Vote	2021-05-28	2021-04-22	2021-04-27
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	1.2 (1.3 for hedged version)	0.6	0.5
Summary of the resolution	Resolution 6 Re-elect Patrick Pouyanne as Director	Resolution 4 Re-elect Francois-Henri Pinault as Director	Resolution 9.b. Re-elect Hans Straberg as Board Chairman
How the fund manager voted	LGIM voted against the resolution (against management)	LGIM voted against the resolution (against management)	LGIM voted against the resolution (against management)
Where the fund manager voted against management, did they communicate their 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.		
Rationale for the voting decision	LGIM has a longstanding policy advocating for the separation of the roles of CEO and board chair. These two roles are substantially different, requiring distinct skills and experiences. Since 2015 LGIM have supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 LGIM are voting against all combined board chair/CEO roles. Furthermore, LGIM have published a guide for boards on the		LGIM views gender diversity as a financially material issue for our clients, with implications for the assets LGIM manage on their behalf. For 10 years, LGIM have been using our position to engage with

	separation of the roles of chair and CEO (available on our website), and LGIM have reinforced our position on leadership structures across our stewardship activities – e.g. via individual corporate engagements and director conferences.	companies on this issue. As part of our efforts to influence our investee companies on having greater gender balance, LGIM expect companies in well-governed markets to have at least 30% women on their boards. For further details, please refer to our vote policies on our website.	
Outcome of the vote	77.4% of shareholders supported the resolution.	93.7% of shareholders supported the resolution.	N/A
Implications of the outcome	LGIM will continue to engage with our investee companies, publicly advocate our position on these issues and monitor company and market-level progress.		
Criteria on which the vote is assessed to be “most significant”	LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote).	LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote).	LGIM views gender diversity as a financially material issue for our clients, with implications for the assets LGIM manage on their behalf.

LGIM Japan Equity Index and LGIM Japan Equity Index - GBP Hedged	Vote 1	Vote 2	Vote 3
Company name	Mitsubishi UFJ Financial Group, Inc.	Shin-Etsu Chemical Co., Ltd.	Recruit Holdings Co., Ltd.
Date of Vote	2021-06-29	2021-06-29	2021-06-17
Approximate size of fund's holding as at the date of the	1.6 (1.5 for hedged version)	1.5	1.5

vote (as % of portfolio)			
Summary of the resolution	Resolution 3 Amend Articles to Disclose Plan Outlining Company's Business Strategy to Align Investments with Goals of Paris Agreement	Resolution 3.1 Elect Director Saito, Yasuhiko	Resolution 5 Amend Articles to Allow Virtual Only Shareholder Meetings
How the fund manager voted	LGIM voted for the resolution (with management)	LGIM voted against the resolution (against management)	LGIM voted against the resolution (against management)
Where the fund manager voted against management, did they communicate their 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.		
Rationale for the voting decision	Climate change: A vote in favour of this shareholder proposal is warranted as LGIM expects companies to be taking sufficient action on the key issue of climate change. While LGIM positively note the company's recent announcements around net-zero targets and exclusion policies, LGIM think that these commitments could be further strengthened and LGIM believe the shareholder proposal provides a good directional push.	LGIM views gender diversity as a financially material issue for our clients, with implications for the assets LGIM manage on their behalf. For 10 years, LGIM have been using our position to engage with companies on this issue. As part of our efforts to influence our investee companies on having greater gender balance and following a campaign on gender diversity in Japan in 2019, LGIM decided to escalate our voting policy. In 2020, LGIM announced LGIM would be voting against all companies in the large-cap TOPIX 100 index that do not have at least one woman on their board. In 2021, LGIM	A vote AGAINST this proposal is warranted because:- Japanese companies are able to hold virtual meetings using temporary regulatory relief (without amending articles) for two years, but the passage of this proposal will authorize the company to hold virtual meetings permanently, without further need to consult shareholders, even after the current health crisis is resolved.- The proposed language fails to specify situations under which virtual meetings will be held, raising concerns that meaningful exchange between the company and shareholders could be hindered, especially in

		expanded the scope of our policy to vote against TOPIX Mid 400 companies that do not have at least one woman on the board.	controversial situations such as when shareholder proposals are submitted, a proxy fight is waged, or a corporate scandal occurs.
Outcome of the vote	22.7% of shareholders supported the resolution.	90.7% of shareholders supported the resolution.	83.8% of shareholders supported the resolution.
Implications of the outcome	LGIM will continue to engage on this important ESG issue.	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.	LGIM will continue to engage on this important ESG issue.
Criteria on which the vote is assessed to be "most significant"	LGIM views climate change as a financially material issue for our clients, with implications for the assets LGIM manage on their behalf. This was also a high profile proposal in Japan, where climate-related shareholder proposals are still rare.	LGIM views gender diversity as a financially material issue for our clients, with implications for the assets LGIM manage on their behalf.	This was a high profile vote where the company proposed a change in articles to allow virtual-only AGMs beyond the temporary regulatory relief effective for 2 years from June 2021.

LGIM Asia Pac (ex Japan) Equity Index and LGIM Asia Pac (ex Japan) Equity Index - GBP Hedged	Vote 1	Vote 2	Vote 3
Company name	Sands China Ltd.	Wilmar International Limited	WH Group Limited
Date of Vote	2021-05-21	2021-04-15	2021-06-01

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Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.3	0.3	0.2
Summary of the resolution	Resolution 2a Elect Robert Glen Goldstein as Director	Resolution 5 Elect Kuok Khoon Hong as Director	Resolution 2a Elect Wan Long as Director
How the fund manager voted	LGIM voted against the resolution (against management)	LGIM voted against the resolution (against management)	LGIM voted against the resolution (against management)
Where the fund manager voted against management, did they communicate their 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.		
Rationale for the voting decision	LGIM has a longstanding policy advocating for the separation of the roles of CEO and board chair. These two roles are substantially different, requiring distinct skills and experiences. Since 2015 LGIM have supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 LGIM are voting against all combined board chair/CEO roles. Furthermore, LGIM have published a guide for boards on the separation of the roles of chair and CEO (available on our website), and LGIM have reinforced our position on leadership structures across our stewardship activities – e.g. via individual corporate engagements and director conferences.		
Outcome of the vote	94.7% of shareholders supported the resolution.	94.2% of shareholders supported the resolution.	75.2% of shareholders supported the resolution.
Implications of the outcome	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.		
Criteria on which the vote is assessed to be “most significant”	LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote).		

LGIM Emerging Market Equity Index	Vote 1	Vote 2	Vote 3
Company name	Alibaba Group Holding Limited	China Construction Bank Corporation	MediaTek, Inc.
Date of Vote	2021-09-17	2021-06-25	2021-06-10
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	3.8	1.0	0.7
Summary of the resolution	Resolution 1.1 - Elect Director Joseph C. Tsai	Resolution 1 Approve Report of the Board of Directors	Resolution 5.1 Elect Ming-Kai Tsai with Shareholder No. 1 as Non-independent Director
How the fund manager voted	LGIM voted against the resolution (against management)	LGIM voted against the resolution (against management)	LGIM voted against the resolution (against management)
Where the fund manager voted against management, did they communicate their 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.		
Rationale for the voting decision	LGIM has a longstanding policy advocating for the separation of the roles of CEO and board chair. These two roles are substantially different, requiring distinct skills and experiences. Since 2015 LGIM have supported shareholder proposals seeking the appointment of independent board	The company is deemed to not meet minimum standards with regards to climate risk management and disclosure.	LGIM views gender diversity as a financially material issue for our clients, with implications for the assets LGIM manage on their behalf. For 10 years, LGIM have been using our position to engage with companies on this issue. As part of our efforts to influence our investee companies on having greater gender

	chairs, and since 2020 LGIM have voted against all combined board chair/CEO roles. Furthermore, LGIM have published a guide for boards on the separation of the roles of chair and CEO (available on our website), and LGIM have reinforced our position on leadership structures across our stewardship activities – e.g. via individual corporate engagements and director conferences.		balance, LGIM expect all companies in which LGIM invest globally to have at least one female on their board. Please note LGIM have stronger requirements in the UK, North American, European and Japanese markets, in line with our engagement in these markets. For further details, please refer to our vote policies on our website.
Outcome of the vote	73.6%	N/A	N/A
Implications of the outcome	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.	LGIM will continue to engage with the company and monitor progress.	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
Criteria on which the vote is assessed to be “most significant”	LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote).	LGIM considers this vote to be significant as it is applied under the Climate Impact Pledge, our flagship engagement programme targeting some of the world's largest companies on their strategic management of climate change.	LGIM views gender diversity as a financially material issue for our clients, with implications for the assets LGIM manage on their behalf.

Information on the most significant votes for the Ruffer Absolute Return Fund during the year ending 31 December 2021 is shown below.

Ruffer Absolute Return Fund	Vote 1	Vote 2	Vote 3

Company name	WH Smith	Countryside Properties	Walt Disney
Date of Vote	2021-01-20	2021-02-05	2021-03-09
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.3	1.3	0.6
Summary of the resolution	Governance – remuneration	Governance – board composition and remuneration	Governance – lobbying and succession planning
How the fund manager voted	Ruffer voted against the resolution (against management)	Ruffer abstained from voting on the resolution	Ruffer voted for the resolutions (with management)
Where the fund manager voted against management, did they communicate their intent to the company ahead of the vote	Ruffer sent a letter to the Board and met with a Board member prior to the vote.		
Rationale for the voting decision	When determining whether to support a remuneration policy or report, Ruffer assess a number of factors including how management are incentivised, the structure of executive remuneration and the overall quantum. Ruffer voted against management on the approval of the remuneration report at WH Smith as Ruffer felt the timing of an executive pay increase in the current circumstances was inappropriate. This did not express a negative	Ruffer met with David Howell (Chair of the Board) and Amanda Burton (Chair of the Remuneration Committee) to discuss the company's capital allocation strategy. Decisions in this area are critical and will ultimately determine its long-term financial performance. Ruffer shared their view that the company would benefit from a non-executive director with a proven track record in capital allocation. Given the changing strategy of the business, significant changes need to be	On the topic of lobbying and the company's memberships of trade associations, Ruffer voted for a shareholder resolution in 2018, 2019 and 2020 requesting additional disclosure. While the company has responded to these resolutions by increasing its disclosure, this only includes trade associations based in the US. As the framework has been established, and the analysis already conducted for these associations, Ruffer do not think it is onerous for the company to expand

	view of the performance of the CEO and management team during this challenging period, but rather Ruffer felt that going ahead with a pre-planned base remuneration increase was not appropriate for a company that is at present loss-making, has suspended its dividend, raised equity, may benefit from government support measures and has made a large number of staff redundant. Ruffer were also of the view that the disclosure around the personal performance criteria is not clear. Ruffer communicated these views in a letter to the Board and subsequently held a meeting with the company to discuss the concerns Ruffer had in more detail.	made to the remuneration policy to ensure management is incentivised to deliver on the revised strategy and, importantly, to align their interests with shareholders. Ruffer shared our thoughts around this, including a total shareholder return measure, a meaningful shareholding requirement and ensuring post-cessation and vesting requirements are in line with the guidance from the Investment Association. Ruffer attach significant importance to the company's strategy, board composition and executive remuneration as Ruffer deem addressing these to be essential for the long-term success of Countryside and all stakeholders.	this to cover all trade associations of which it is a member. Ruffer stated clearly to the company that Ruffer were disappointed that it has not expanded its analysis and that Ruffer would support the shareholder resolution at the 2021 AGM. Another significant concern for us is succession planning at the board level. As Ruffer did in 2020, Ruffer debated whether to support the re-election of Susan Arnold given her long tenure on the board. This is of particular importance to us when there is not an independent Chair of the Board. Ruffer decided to support her re-election to provide continuity in a year where Ruffer expect changes to the board. Ruffer communicated our concerns to the company prior to the AGM.
Outcome of the vote	The vote in favour of approving of the remuneration report passed with 67.4% shareholder support. However, the Board has subsequently confirmed they are revising the remuneration report and will not include the executive pay increase due to the feedback from shareholders.	Re-election proposals passed with a range of 78-93% shareholder approval for votes.	Re-election proposal passed with 97.2% shareholder approval for vote. Shareholder resolution failed with only 32.7% shareholder approval for the vote.
Implications of the outcome	Ruffer will continue to vote against remuneration policies that Ruffer deem to be	Whilst Ruffer value the engagements with the non-executive directors so far, Ruffer have not	Ruffer will continue to vote on shareholder resolutions that improve

	inappropriate in the context of the circumstances of the company.	received acknowledgement our concerns will be addressed. Consequently, Ruffer decided to abstain on our votes in relation to the re-election of all non-executive directors. Ruffer wrote to the company explaining our decision prior to the AGM. Ruffer will continue to engage ahead of the upcoming remuneration consultation, and Ruffer look forward to continuing our discussions.	transparency and enhanced disclosure.
Criteria on which the vote is assessed to be “most significant”	Ruffer believe this vote will be of particular interest to our clients. The vote against management was in the context of engagement with the company and the result of extensive internal discussions.	Votes abstaining or against the re-election of directors for material holdings are significant. These arise after discussion between members of the research, portfolio management and responsible investment teams.	Ruffer believe this vote will be of particular interest to our clients. The shareholder resolutions aimed to increase the transparency of the company's climate lobbying activities.