

## Implementation Statement

### The Pension and Life Assurance Plan for the Non-Teaching Staff of Oundle School

This Implementation Statement has been prepared by the Trustees of the Pension and Life Assurance Plan for the Non-Teaching Staff of Oundle School ("the Plan") and sets out:

- How the Trustees' policies on exercising rights (including voting rights) and engagement policies have been followed over the year.
- The voting behaviour of the Trustees, or that undertaken on their behalf, over the year to 31 December 2020.

#### How voting and engagement policies have been followed

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

Investment rights (including voting rights) have been exercised by the investment managers in line with the investment managers' general policies on corporate governance, which reflect the recommendations of the UK Stewardship Code, and which are provided to the Trustees from time to time, taking into account the financial interests of the beneficiaries. The Trustees also expect the investment managers to have engaged with companies in relation to ESG matters, and to take these into account in the selection, retention and realisation of investments where appropriate.

The Trustees intend to receive and review voting and engagement information provided by their asset manager as well as how ESG issues are taken into account for each mandate, to ensure broad alignment with their own policies.

#### Voting Data

Voting only applies to funds that hold equities in their portfolio. The Plan's equity investments are all held through pooled funds. The investment managers for these funds vote on behalf of the Trustees.

The table below provides a summary of the voting activity undertaken by each manager over the year to 31 December 2020, together with information on any key voting priorities and information on the use of proxy voting advisors by the managers.

Manager	Legal & General Investment Management (“LGIM”)	Aberdeen Standard Investments (“ASI”)
<b>Fund name</b>	Global Equity Market Weights (30:70) Index Fund – GBP 75% Currency Hedged	Aberdeen Standard Diversified Growth Fund
<b>Structure</b>	Pooled	Pooled
<b>Ability to influence voting behaviour of manager</b>	The pooled fund structure means that there is limited scope for the Trustees to influence the manager’s voting behaviour.	The pooled fund structure means that there is limited scope for the Trustees to influence the manager’s voting behaviour.
<b>Number of company meetings the manager was eligible to vote at over the year</b>	8,139	350
<b>Number of resolutions the manager was eligible to vote on over the year</b>	83,915	3,991
<b>Percentage of resolutions the manager voted on</b>	99.5%	97.5%
<b>Percentage of resolutions the manager abstained from</b>	0.7%	2.5%
<b>Percentage of resolutions voted <i>with</i> management, as a percentage of the total number of resolutions voted on</b>	84.7%	83.6%
<b>Percentage of resolutions voted <i>against</i> management, as a percentage of the total number of resolutions voted on</b>	14.6%	13.9%
<b>Percentage of resolutions voted <i>contrary</i> to the recommendation of the proxy advisor</b>	0.2%	2.9%

## Significant votes

For the first year of implementation statements we have delegated to the investment managers to define what a “significant vote” is. The Trustees’ ESG policy leaves determining the key votes to their asset managers. The Plan’s investment adviser requested key voting data from the asset managers.

- For the Legal & General equity fund, a summary of significant votes over the year is set out below.
- For the Aberdeen Standard Diversified Growth Fund, the manager has not defined a significant vote, and consequently were unable to provide us significant votes over the year. We are working with them to improve the process and they plan to be able to provide something more substantive next year.

A summary of the data provided by the LGIM is set out below.

## LGIM Global Equity Market Weights (30:70) Index Fund – GBP 75% Currency Hedged (Table 1 of 2)

	Vote 1	Vote 2	Vote 3
<b>Company name</b>	Barclays	Amazon	ExxonMobil
<b>Date of vote</b>	07 May 2020	27 May 2020	27 May 2020
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	Not Provided	Not provided	Not provided
<b>Summary of the resolution</b>	Resolution 29 - Approve Barclays' Commitment in Tackling Climate Change Resolution 30 - Approve ShareAction Requisitioned Resolution	Shareholder resolutions 5 to 16	Resolution 1.10 - Elect Director Darren W. Woods
<b>How the manager voted</b>	LGIM voted for resolution 29, proposed by Barclays. LGIM voted for resolution 30, proposed by ShareAction.	Of 12 shareholder proposals, LGIM voted to support 10. They 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).	Against
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	LGIM publicly communicates its vote instructions in monthly regional vote reports on its website with the rationale for all votes against management. It is their policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.		
<b>Rationale for the voting decision</b>	The resolution proposed by Barclays sets out its long-term plans and has the backing of ShareAction and co-filers. LGIM are particularly grateful to the Investor Forum for the significant role it played in coordinating this outcome.	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 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 LGIM's engagements leading up to the proxy vote. LGIM has had multiple engagements with Amazon over the past 12 months.	In June 2019, under LGIM's annual 'Climate Impact Pledge' ranking of corporate climate leaders and laggards, LGIM announced that they will be removing ExxonMobil from their Future World fund range, and will be voting against the chair of the board. Ahead of the company's annual general meeting in May 2020, they also announced they will be supporting shareholder proposals for an independent chair and a report on the company's political lobbying. Due to

	Vote 1	Vote 2	Vote 3
		<p>The topics of our engagements touched most aspects of ESG, with an emphasis on social topics:</p> <ul style="list-style-type: none"> <li>• <b>Governance:</b> Separation of CEO and board chair roles, plus the desire for directors to participate in engagement meetings</li> <li>• <b>Environment:</b> Details about the data transparency committed to in their 'Climate Pledge'</li> <li>• <b>Social:</b> Establishment of workplace culture, employee health and safety</li> </ul> <p>The allegations from current and former employees are worrying. Amazon employees have consistently reported not feeling safe at work, that paid sick leave is not adequate, and that the company only provides an incentive of \$2 per hour to work during the pandemic. Also cited is an ongoing culture of retaliation, censorship, and fear. LGIM discussed with Amazon the lengths the company is going to in adapting their working environment, with claims of industry leading safety protocols, increased pay, and adjusted absentee policies. However, some of their responses seemed to have backfired. For example, a policy to inform all workers in a facility if COVID-19 is detected has definitely caused increased media attention.</p>	<p>recurring shareholder concerns, LGIM's voting policy also sanctioned the reappointment of the directors responsible for nominations and remuneration.</p>
<b>Outcome of the vote</b>	<p>Resolution 29 - supported by 99.9% of shareholders Resolution 30 - supported by 23.9% of shareholders (source: Company website)</p>	<p>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.</p>	<p>93.2% of shareholders supported the re-election of the combined chair and CEO Darren Woods.</p> <p>Approximately 30% of shareholders supported the proposals for independence and lobbying.</p> <p>(Source: ISS data)</p>
<b>Implications of the outcome</b>	<p>LGIM's focus will now be to help Barclays on the detail of their plans and targets, more detail of which is to be published this year. LGIM plan to continue to work closely with the Barclays board and management team in the development of their plans</p>	<p>Despite shareholders not giving majority support to the raft of shareholder proposals, the sheer number and focus on these continues to dominate the landscape for the company. LGIM's engagement with the company continues as they push it to disclose</p>	<p>LGIM believe this sends an important signal, and they will continue to engage, both individually and in collaboration with other investors, to push for change at the company.</p>

	Vote 1	Vote 2	Vote 3
	<p>and will continue to liaise with ShareAction, Investor Forum, and other large investors, to ensure a consistency of messaging and to continue to drive positive change.</p>	<p>more and to ensure it is adequately managing its broader stakeholders, and most importantly, its human capital.</p>	<p>Their voting intentions were the subject of over 40 articles in major news outlets across the world, including Reuters, Bloomberg, Les Échos and Nikkei, with a number of asset owners in Europe and North America also declaring their intentions to vote against the company.</p>
<p><b>Criteria on which the vote is considered “significant”</b></p>	<p>Since the beginning of the year there has been significant client interest in LGIM’s voting intentions and engagement activities in relation to the 2020 Barclays AGM. LGIM consider the outcome to be extremely positive for all parties: Barclays, ShareAction and long-term asset owners such as the Plan.</p>	<p>The market attention was significant leading up to the AGM, with:</p> <ul style="list-style-type: none"> <li>• 12 shareholder proposals on the table – the largest number of any major US company this proxy season</li> <li>• Diverse investor coalitions submitting and rallying behind the proposals, including global, different types of investors and first time co-filers/engagers</li> <li>• Substantial press coverage – with largely negative sentiment related to the company’s governance profile and its initial management of COVID-19</li> <li>• Multiple state treasurers speaking out and even holding an online targeted pre-annual meeting investor forum entitled ‘Workplace &amp; Investor Risks in Amazon.com, Inc.’s COVID-19 Response’</li> </ul> <p>Anecdotally, the Stewardship team received more inquiries related to Amazon than any other company this season.</p>	<p>LGIM voted against the chair of the board as part of LGIM’s ‘Climate Impact Pledge’ escalation sanction.</p>

## LGIM Global Equity Market Weights (30:70) Index Fund – GBP 75% Currency Hedged (Table 2 of 2)

	Vote 4	Vote 5	Vote 6	Vote 7
<b>Company name</b>	International Consolidated Airlines Group	Pearson	Plus500 LTD.	Olympus Corporation
<b>Date of vote</b>	07 September 2020	18 September 2020	16 September 2020	30 July 2020
<b>Approximate size of fund's holding as at the date of the vote (as % of portfolio)</b>	Not provided	Not provided	Not provided	Not provided
<b>Summary of the resolution</b>	Resolution 8 - Approve Remuneration Report	Resolution 1: Amend Remuneration Policy	Resolution 17 - Approve Special Bonus Payment to CFO Elad Even-Chen	Resolution 3.1 - Elect Director Takeuchi, Yasuo
<b>How the manager voted</b>	Against	Against	Against	Against
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	LGIM publicly communicates its vote instructions in monthly regional vote reports on its website with the rationale for all votes against management. It is their policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.			
<b>Rationale for the voting decision</b>	<p>The COVID-19 crisis and its consequences on international transport have negatively impacted this airline company's financial performance and business model. As a result of the crisis, the company took up support under various government schemes, announced a 30% cut to its workforce, reduced executive director's basic salary by 20% from 1 April 2020, withdrew 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</p>	<p>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.</p> <p>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</p>	<p>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 Israeli Shekel (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</p>	<p>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 LGIM consider that every board should have at least one female director. LGIM deem this a de minimis standard. Globally, LGIM aspire to all boards comprising 30% women. Last year in February we sent letters to the largest companies in the MSCI Japan</p>

	Vote 4	Vote 5	Vote 6	Vote 7
	<p>was also submitted to a shareholder vote.</p> <p>On the back of this, LGIM 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. 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).</p>	<p>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.</p>	<p>policy to reward the achievement of pre-set targets.</p> <p>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.</p>	<p>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.</p> <p>LGIM 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.</p>
<b>Outcome of the vote</b>	<p>28.4% of shareholders opposed the remuneration report.</p>	<p>33% of shareholders voted against the co-investment plan and therefore, by default, the appointment of the new CEO.</p>	<p>Given the level of shareholder dissent, Resolution 17 was withdrawn ahead of the AGM, while all the other resolutions were passed.</p> <p>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).'</p>	<p>94.90% of shareholders supported the election of the director</p>
<b>Implications of the outcome</b>	<p>LGIM will continue to engage closely with the renewed board.</p>	<p>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</p>	<p>LGIM will continue to monitor the company.</p>	<p>LGIM will continue to engage with and require increased diversity on all Japanese company boards.</p>

	Vote 4	Vote 5	Vote 6	Vote 7
		to be addressed through continuous engagement.		
<b>Criteria on which the vote is considered "significant"</b>	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, LGIM deem this vote to be significant.	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.	This vote is deemed significant as LGIM considers it imperative that the boards of Japanese companies increase their diversity.

## Fund level engagement

### Data Limitations

Information relating to fund level engagement policies was requested from LGIM and ASI. The data was provided at a firm level, rather than at fund level. The Trustees' investment consultants are working with LGIM and ASI to improve the depth of the information provided in the requested format.

Manager	LGIM	ASI
<b>Fund name</b>	Applicable for all of the Plan's LGIM funds	Aberdeen Standard Diversified Growth Fund
<b>Does the manager perform engagement on behalf of the holdings of the fund</b>	Yes	Yes
<b>Has the manager engaged with companies to influence them in relation to ESG factors in the year?</b>	Yes	Yes
<b>Number of engagements undertaken at a firm level in the year</b>	891	2,271
<b>Examples of engagements undertaken with holdings in the fund</b>	<p>The top engagement topics over 2020 were:</p> <ul style="list-style-type: none"> <li>• Remuneration</li> <li>• Board compensation</li> <li>• Diversity</li> <li>• LGIM ESG Score</li> <li>• Climate change</li> <li>• Strategy</li> <li>• COVID 19</li> <li>• Gender and ethnic diversity</li> <li>• Disclosures</li> <li>• Public health</li> </ul> <p>An example is LGIM's engagement regarding Barclays' AGM, in which there has been significant client interest. LGIM endorsed Barclay's ESG target, to shrink its carbon footprint to net zero by 2050, and are focusing on helping Barclays develop plans and achieve their target.</p> <p>Another example is LGIM's engagement with the International Consolidated Airlines Group company. The company has been negatively impacted from the COVID-19 crisis, and LGIM addressed a private letter to the company to state their support during the pandemic in March 2020. LGIM also encouraged the board to demonstrate restraint and discretion with its executive remuneration.</p>	<p>Frequent engagement topics over 2020 were:</p> <ul style="list-style-type: none"> <li>• Reporting</li> <li>• Board matters</li> <li>• Strategy</li> <li>• Environment</li> <li>• Climate change</li> <li>• Risk/risk management structure</li> <li>• Corporate structure</li> <li>• Labour practices/issues &amp; human capital</li> </ul> <p>An example of ASI's engagement is with online fashion retailer, Boohoo. The retailer had a difficult 2020 following allegations of breaches of minimum-pay requirements and health and safety concerns in its Leicester supply chain, which led to an independent investigation. ASI chose to divest from Boohoo in the wake of these allegations, as ASI's requests to the management had not been met within the timescales agreed, and it was clear that the reality of the supply-chain risks were much more concerning given the detail within the independent report. ASI continue to engage with the company as they believe there is a strong investment case for its 'test-and-repeat' model, but this can't be to the detriment of its supply chain.</p>