

Concord plc Retirement Benefits Scheme Implementation Statement Year Ending 05 April 2022

Glossary

DGF	Diversified Growth Fund
ESG	Environmental, Social and Governance
Investment Adviser	First Actuarial LLP
LGIM	Legal & General Investment Management
Scheme	Concord plc Retirement Benefits Scheme
Scheme Year	6 April 2021 to 5 April 2022
SIP	Statement of Investment Principles
UNPRI	United Nations Principles for Responsible Investment

Introduction

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

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

Relevant Investments

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

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

- LGIM Diversified Fund
- LGIM Future World Global Equity Index Fund
- LGIM Future World Global Equity Index Fund - GBP Hedged

The Trustee's Policy Relating to the Exercise of Rights

Summary of the Policy

The Trustee's policy in relation to the exercise of the rights (including voting rights) attaching to the investments is set out in the SIP. The SIP was updated during the Scheme Year and complies with legislation which requires additional information to be stated about the nature of the arrangements in place with the investment manager. Part of the wording provides a detailed explanation of the Trustee's policy relating to the exercise of rights.

A summary of the Trustee's policy in relation to the exercise of the rights (including voting rights) attaching to the investments is as follows:

- The Trustee believes that good stewardship can help create, and preserve, value for companies and markets as a whole and the Trustee wishes to encourage best practice in terms of stewardship.
- The Trustee invest in pooled investment vehicles and therefore accept that ongoing engagement with the underlying companies (including the exercise of voting rights) will be determined by the investment manager's own policies on such matters.
- When selecting a pooled fund, the Trustee considers, amongst other things, the investment manager's policy in relation to the exercise of the rights (including voting rights) attaching to the investments held within the pooled fund.
- When considering the ongoing suitability of an investment manager, the Trustee (in conjunction with its Investment Adviser) will take account of any particular characteristics of that manager's engagement policy that are deemed to be financially material.
- The Trustee will normally select investment managers who are signatories to the UNPRI.

- If it is identified that a fund's investment manager is not engaging with companies the Trustee may look to replace that fund. However, in the first instance, the Trustee would normally expect its Investment Adviser to raise the Trustee's concerns with the investment manager.

Has the Policy Been Followed During the Scheme Year?

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

- There has been no change to the Trustee's belief regarding the importance of good stewardship.
- The Scheme's invested assets remained invested in pooled funds over the period.
- During the Scheme Year, the Trustee selected Insight Partially and Fully Funded LDI Funds as well as the M&G Total Return Credit Investment Fund. These funds do not include an allocation to equities so the manager's voting policy was not a relevant consideration for the Trustee as part of the selection exercise.
- Also during the Scheme Year, the Trustee selected the LGIM Future World Global Equity Index Fund (and its GBP currency hedged version). The Trustee considered the ESG characteristics of the fund before selecting it and this included consideration of the investment manager's approach towards the exercise of voting rights.
- During the Scheme Year, the Trustees considered the voting records of the investment manager over the period ending 31 March 2021.
- Since the end of the Scheme Year, an updated analysis of the voting records of the investment manager based on the period ending 31 March 2022* has been undertaken as part of the work required to prepare this Implementation Statement. A summary of the key findings from that analysis is provided below.
- The investment manager used by the Scheme is UNPRI signatory.

**Note the voting analysis was over the year ending 31 March 2022 because this was the most recent data available at the time of preparing this statement. The Trustee is satisfied that the analysis provides a fair representation of the investment manager's voting approach over the Scheme Year.*

The Investment Manager's Voting Record

A summary of the investment manager's voting record is shown in the table below.

Investment Manager	Number of votes	Split of votes:		
		For	Against	Did not vote/ abstained / withheld
LGIM	140,000	77%	21%	1%

Notes

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

These voting statistics are based on the manager's full voting record over the 12 months to 31 March 2022 rather than votes related solely to the funds held by the Scheme.

Use of Proxy Voting Advisers

Investment Manager	Who is their proxy voting adviser?	How is the proxy voting adviser used?
LGIM	ISS and IMS	ISS and IMS provide research and ISS administer votes. However, all voting is determined by guidelines set by LGIM.

The Investment Manager's Voting Behaviour

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

- broad statistics of its voting record such as the percentage of votes cast for and against the recommendations of boards of directors (i.e. "with management" or "against management");
- the votes it cast in the year to 31 March 2022 on the most contested proposals in nine categories across the UK, the US and Europe;
- the investment manager's policies and statements on the subjects of stewardship, corporate governance and voting.

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

The Trustee's key observations are set out below.

Voting in Significant Votes

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

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

Description of Voting Behaviour

LGIM

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

The manager's willingness to vote against management is consistent with the broad range of policies covered within its corporate governance documentation; each policy provides a set of criteria which can be used to justify a vote against management.

The Trustee also notes that LGIM has supported shareholder proposals designed to tackle ESG issues and has held directors to account regarding their energy transition proposals (proposals setting out how CO₂ emissions will be reduced).

Conclusions

Based on the analysis undertaken, and as per the above, the Trustee has no material concerns regarding the voting records of LGIM.

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

..... Date:

Signed on behalf of the Trustee of the Concord plc Retirement Benefits Scheme

Significant Votes

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

Company	Meeting Date	Proposal	Votes For (%)	Votes Against (%)	LGIM
Audit & Reporting					
PHILLIPS 66	12/05/2021	Ratify Ernst & Young LLP as Auditors	50	49	For
ACTIVISION BLIZZARD INC	21/06/2021	Ratify PricewaterhouseCoopers LLP as Auditors	54	43	For
INTEL CORPORATION	13/05/2021	Appoint the Auditors	38	61	Against
LABORATORY CORPORATION OF AMERICA	12/05/2021	Ratify Deloitte & Touche LLP as Auditors	37	62	For
CAMPBELL SOUP COMPANY	01/12/2021	Ratify PricewaterhouseCoopers LLP as Auditors	71	26	Against
Shareholder Capital & Rights					
ORANGE S.A	18/05/2021	Authorize Board to Increase Capital in the Event of Additional Demand Related to	57	43	Against
KERING SA	22/04/2021	Authorize Capital Issuances for Use in Employee Stock Purchase Plans	32	68	For
FERRARI NV	15/04/2021	Issue Special Voting Shares	70	30	Against
FLUTTER ENTERTAINMENT PLC	29/04/2021	Issue Shares with Pre-emption Rights	70	30	Against
MONCLER SPA	22/04/2021	Authorise Share Repurchase	70	29	For
Pay & Remuneration					
AT&T INC.	30/04/2021	Advisory Vote on Executive Compensation	48	50	Against
AKZO NOBEL NV	22/04/2021	Approve the Remuneration Report	50	50	Against
INTERNATIONAL BUSINESS MACHINES CORPORATION	27/04/2021	Advisory Vote on Executive Compensation	48	51	Against
NETFLIX INC	03/06/2021	Advisory Vote on Executive Compensation	51	49	Against
CHIPOTLE MEXICAN GRILL INC	18/05/2021	Advisory Vote on Executive Compensation	51	49	Against
Constitution of Company, Board & Advisers					
BERKSHIRE HATHAWAY INC.	01/05/2021	Elect Meryl B. Witmer - Non-Executive Director	50	50	Withhold
GEBERIT AG	14/04/2021	Elect Werner Karlen - Non-Executive Director	50	50	For
CORTEVA INC	07/05/2021	Elect Janet P. Giesselman - Non-Executive Director	50	50	Against
APPLE INC	04/03/2022	Elect Alex Gorsky - Non-Executive Director	50	50	For
D. R. HORTON INC.	26/01/2022	Elect Michael R. Buchanan - Non-Executive Director	50	50	For
Merger, Acquisition, Sales & Finance					
VONOVIA SE	16/04/2021	Issue Bonds/Debt Securities	79	21	For
DELIVERY HERO SE	16/06/2021	Approve Issuance of Warrants/Bonds with Warrants Attached/Convertible Bonds	84	16	Against
HERMES INTERNATIONAL	04/05/2021	Approve Demerger	91	9	Against
VINCI	08/04/2021	Issue Debt Securities	92	8	For
SAP SE	12/05/2021	Issue Bonds/Debt Securities	93	7	For
Climate Related Resolutions					
Royal Dutch Shell	18/05/2021	Approve the Shell Energy Transition Strategy	83	11	Against
TOTALENERGIES SE	28/05/2021	Approve the Company's Sustainable Development and Energy Transition	83	7	Against
GLENCORE PLC	29/04/2021	Approve Climate Action Transition Plan	89	5	Against
AENA SA	27/04/2021	Advisory Vote on Company's Climate Action Plan	96	4	For
FERROVIAL S.A.	08/04/2021	Advisory Vote, as from the 2022 AGM, on the Company's Climate Strategy Report	97	2	For
Other Company Resolutions					
PEARSON PLC	30/04/2021	Meeting Notification-related Proposal	55	45	For
ORANGE S.A	18/05/2021	Allow Board to Use Delegations under Item 23 Above in the Event of a Public	40	59	Against
TE CONNECTIVITY LTD	09/03/2022	Allow Proxy Solicitation	62	38	Against
UNICREDIT SPA	15/04/2021	Approve Severance Payments Policy	73	27	For
LOREAL SA	20/04/2021	Suspension of Nicolas Hierominus' Previous Employment Contract	85	15	Against
Governance & Other Shareholder Resolutions					
GENERAL MOTORS COMPANY	14/06/2021	Shareholder Resolution: Written Consent	50	50	Against
APPLIED MATERIALS INC	10/03/2022	Shareholder Resolution: Right to Call Special Meetings	49	49	For
COLGATE-PALMOLIVE COMPANY	07/05/2021	Shareholder Resolution: Reduce Ownership Threshold for Shareholders to Call	51	49	For
APPLE INC	04/03/2022	Shareholder Resolution: Report on Concealment Clauses	49	49	For
QUEST DIAGNOSTICS INCORPORATED	21/05/2021	Shareholder Resolution: Written Consent	51	49	Against
Environmental & Socially Focussed Shareholder Resolutions					
CATERPILLAR INC.	09/06/2021	Shareholder Resolution: Report on Climate Policy	47	51	For
APPLE INC	04/03/2022	Shareholder Resolution: Civil Rights Audit	53	46	For
EXXON MOBIL CORPORATION	26/05/2021	Shareholder Resolution: Issue Audited Report on Financial Impacts	47	49	For
TESLA INC	07/10/2021	Shareholder Resolution: Report on Diversity and Inclusion Efforts	55	41	For
THE KROGER CO.	24/06/2021	Shareholder Resolution: Assess Environmental Impact of Non-	45	54	For

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