

Year ended 31 March 2024

## Implementation Statement

### Covering 1 April 2023 to 31 March 2024

#### 1. Background

The Trustee of the Pioneer Technology United Kingdom Limited Pension Plan (the “Plan”) is required to produce a yearly statement to set out how, and the extent to which, the Trustee has followed the Plan’s Statement of Investment Principles (“SIP”) during the previous Plan year. This statement also includes the details of any reviews of the SIP during the year, any changes that were made and reasons for the changes.

A description of the voting behaviour during the year, either by or on behalf of the Trustee, or if a proxy voter was used, also needs to be included within this statement.

This statement should be read in conjunction with the SIPs and have been produced in accordance with The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018 and the subsequent amendment in The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019.

The SIP has recently been updated to reflect strategy changes and at the time of writing has yet to be uploaded to the website. A copy of the 2020 SIP can be found at:

[https://pioneer-car.eu/media/19/8c/b4/1722942683/Statement%20of%20Investment%20Principles%20\(PTK\)%20June%202024.pdf](https://pioneer-car.eu/media/19/8c/b4/1722942683/Statement%20of%20Investment%20Principles%20(PTK)%20June%202024.pdf)

#### 2. Investment Objectives and activity

The objective of the Trustee is over the long term, to achieve a return on the Plan’s assets which is consistent with the assumptions made by the Scheme Actuary, to ensure sufficient liquidity to meet benefits as they fall due, and to consider the interests of the Employer in relation to the size and volatility of the Employer’s contribution requirements.

During the year a manager selection and strategy decisions were made in order to reflect the new objectives set. There were some disinvestments made to meet cash flow requirements and total disinvestments from specific funds that no longer suit the investment strategy as well as new investments made for the same purpose.

The SIP was last updated in September 2020, and the Trustee has since made major changes to their investment portfolio. Following an investment strategy review and advice from Capita post gilt crisis, the Trustee proceeded to implement a new investment strategy for the Plan. The strategy change disinvested fully from Emerging Market Equities and UK Index Linked Gilts and also moved their equity holdings to an ESG-tilted version of the fund. The updated SIP was signed in June 2024.

#### 3. ESG, Stewardship and Climate Change

The Plan’s SIP includes the Trustee’s policy on Environmental, Social and Governance (“ESG”) factors, stewardship and climate change. This policy sets out the Trustee’s belief on ESG and climate change, and the processes followed by the Trustee in relation to voting rights and stewardship.

## Trustee's Annual Report - Implementation Statement (continued)

### 4. Voting and Engagement

The Trustee is keen that their investment managers are signatories of the UK Stewardship Code, all of which are current signatories.

The Trustee has elected to invest in pooled funds and cannot, therefore, directly influence the ESG policies, including the day-to-day application of voting rights, of the funds in which it invest. However, the Trustee will consider these policies in all future selections and will deepen its understanding of its existing managers' policies.

The Plan held the following funds during the year:

- LGIM Future World Global Equity Index Fund
- LGIM Future World Global Equity Index Fund (£ hedged)
- Abdrn Diversified Growth Fund
- Pyrford Global Total Return Fund
- Payden & Rygel Absolute Return Bond
- CTM Real Dynamic LDI
- CTM Nominal Dynamic LDI
- CTM Sterling Liquidity Fund

The underlined funds are predominantly fixed income and do not hold physical equities and hence there are no voting rights and voting data for the Trustee to report on or were disinvested from during the Plan year, therefore no information have been provided.

## Trustee's Annual Report - Implementation Statement (continued)

### 5. Description of investment managers' voting processes

#### a. LGIM

LGIM describe their voting process as follows:

"All decisions are made by LGIM's Investment Stewardship team and in accordance with our relevant Corporate Governance & Responsible Investment and Conflicts of Interest policy documents which are reviewed annually. Each member of the team is allocated a specific sector globally so that the voting is undertaken by the same individuals who engage with the relevant company. This ensures our stewardship approach flows smoothly throughout the engagement and voting process and that engagement is fully integrated into the vote decision process, therefore sending consistent messaging to companies.

LGIM's voting and engagement activities are driven by ESG professionals and their assessment of the requirements in these areas seeks to achieve the best outcome for clients. Their voting policies are reviewed annually and take into account feedback from clients.

Every year, LGIM holds a stakeholder roundtable event where clients and other stakeholders (civil societies, academia, the private sector, and fellow investors) are invited to express their views directly to the members of the Investment Stewardship team. The views expressed by attendees during this event form a key consideration as LGIM continue to develop their voting and engagement policies and define strategic priorities in the years ahead. They also take into account, client feedback received at regular meetings and/or, ad-hoc comments or enquiries.

LGIM's Investment Stewardship team uses ISS's 'Proxy Exchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM, and they do not outsource any part of the strategic decisions. Their use of ISS recommendations is to augment their own research and proprietary ESG assessment tools. The Investment Stewardship team also uses the research reports of Institutional Voting Information Services (IVIS) to supplement the research reports that they receive from ISS for UK companies when making specific voting decisions.

To ensure their proxy provider votes in accordance with their position on ESG, LGIM have put in place a custom voting policy with specific voting instructions. These instructions apply to all markets globally and seek to uphold what LGIM consider are minimum best practice standards which they believe all companies globally should observe, irrespective of local regulation or practice.

LGIM retain the ability in all markets to override any vote decisions, which are based on LGIM's custom voting policy. This may happen where engagement with a specific company has provided additional information (for example from direct engagement, or explanation in the annual report) that allows LGIM to apply a qualitative overlay to their voting judgement. LGIM have strict monitoring controls to ensure their votes are fully and effectively executed in accordance with their voting policies by their service provider. This includes a regular manual check of the votes input into the platform, and an electronic alert service to inform LGIM of rejected votes which require further action.

#### b. Abrdn

Abrdn describe their voting process as follows:

"In instances where there is a segregated / separate account and the client feels very strongly about voting their own proxies (and for which they have the platform in place to do so), then we do make allowances on this front. But we strongly urge the client to allow us to vote on their behalf, since these decisions are an active part of our engagement and investment decision making process.

## Annual Report - Implementation Statement (continued)

### 5. Description of investment managers' voting processes (continued)

ASI has in place a stable process by which the proxy voting team collects general meeting notifications and research and allocates the voting decision through a pre-defined framework to the analyst responsible for making the voting decision for the company in question. The analysts selected will be a member of the ESG Investment or the equity desk analyst responsible for the sector in which the company sits. The selected ASI analyst will assess the resolutions at general meetings in our active investment portfolios. This analysis will be based on our knowledge of the company but will also make use of the custom policy recommendations and recommendations provided by ISS as described above. The product of this analysis will be a final voting decision instructed through ISS and applied to all funds for which ASI have been appointed to vote.

We employ ISS as a service provider to deliver our voting decisions efficiently to companies. ISS provides voting recommendations based on our own customised voting policy which reflects ASI's guidelines and expectations. We remain conscious always that all voting decisions are our own on behalf of our clients. We consider ISS's recommendations and those based on our custom policy as input to our voting decisions. In addition to the ISS service for UK company general meetings we also use research provided by the Institutional Voting Information Service (IVIS) which uses the guidelines of the Investment Association (IA) as the basis of their research.

From time to time, we face conflicts of interest in relation to our stewardship work. However, our simple approach is that we will always seek to act in our clients' best interests. More formally, global regulation requires the boards of directors at asset management firms to establish effective frameworks to identify control and regularly review conflicts of interest. As required by regulators, including the Financial Conduct Authority in the UK and the Securities and Exchange Commission in the US, we have in place a documented process for the identification and management of conflicts of interest.

The process is designed to:

ensure that conflicts between the interests of the firm and its clients, or between clients of different types, are managed appropriately

ensure that conflicts resulting from the personal activities of our people outside of the firm (e.g. business ventures, outside appointments, involvement in public affairs, personal political donations) are managed appropriately.

We disclose stewardship-specific conflicts, and associated systems & controls, to clients. We also keep a current record of circumstances in which a potential conflict may arise, or has arisen, as a result of the activities carried out by us.

The firm votes on securities where we have a potential conflict of interest, including:

- an investee company that is also a significant client
- an investee company where an executive director or officer of our company is also a director of that company
- an investee company where an employee is a director of that company
- an investee company with which we have a strategic relationship

## Trustee's Annual Report - Implementation Statement (continued)

- a significant distributor of our products
- a significant supplier
- any other companies which may be relevant from time to time.

One specific conflict relates to investment in the shares of our parent company. In order to manage this conflict, the firm does not, as a matter of policy, vote any holdings in our parent company shares.

The Stewardship & ESG Investment team have access to senior executives and non-executives who are independent of both our fund management and global client servicing teams.

Rationale for voting in a particular direction is recorded.

Sensitive investee companies are highlighted and proxy voting records outline where possible conflicts have been considered.

The firm reports on voting for these stocks to Risk and Compliance (USA).

Executive directors or officers of the firm notify the company secretariat about outside appointments.

Investment employees record their outside appointments on the internal compliance system.

The firm's process for the management of conflicts includes the definition of a Conflicts of Interest Policy and the maintenance of a Conflicts of Interest register. The policy and register are reviewed annually."

### c. **Pyrford**

Pyrford describe their voting process as follows:

"Pyrford have appointed ISS Proxy Voting Services to monitor meetings data and to produce a voting schedule based upon individual client's proxy voting guidelines or Pyrford's guidelines where a client does not provide their own.

This schedule requires authorisation by an appropriately authorised member of our Investment Team before the votes are registered.

Pyrford's practice in voting proxies clearly reflects the issues that we consider important in making investments. Pyrford seeks to invest in well financed companies with a strong management team and sound strategy which is capable of delivering attractive earnings and dividend growth over the long term. It is in this way that we believe our clients will achieve the best investment performance. This practice will involve the active consideration of all relevant and material factors pertaining to environmental, social and governance issues.

The proxy voting policy outlined above is applied to all countries in which we hold shares on behalf of our clients. We receive proxy notices from the account's custodian, or a third party appointed by the custodian. ISS carry out a reconciliation of the number of shares on the proxy ballot and our internal records.

Pyrford will seek to vote on all proxies who have delegated responsibility to vote such proxies. We will only abstain on a vote where it proves impossible to obtain adequate or reliable details of the proposals to be voted on within the required time frame. Having appointed ISS, this is now only likely to happen in exceptional circumstances."

## Trustee's Annual Report - Implementation Statement (continued)

### 6. Summary of voting behaviour over the year

#### a. LGIM

A summary of LGIM's voting behaviour over the period is provided in the tables below:

	Summary Info
Manager name	Legal & General Investment Management
Fund name	Future World Global Equity Index Fund
Approximate value of Trustees' assets	c.£3.5m as at 31 March 2024 c.£1.2m as at 31 March 2024 - £ hedged
Number of equity holdings in the fund	3,154
Number of meetings eligible to vote	5,134
Number of resolutions eligible to vote	52,212
% of resolutions voted	99.91%
% of resolutions voted with management	80.26%
% of resolutions voted against management	19.47%
% of resolutions abstained	0.27%
In what % of meetings, for which you did vote, did you vote at least once against management?	63.31%
% of resolutions voted contrary to the proxy adviser recommendation	11.08%

#### b. Abrdn

A summary of Abrdn's voting behaviour over the period is provided in the table below:

	Summary Info
Manager name	Abrdn
Fund name	Diversified Growth Fund*
Approximate value of Trustees' assets	£1.0m as at 31 March 2024
Number of equity holdings in the fund	500
Number of meetings eligible to vote	606
Number of resolutions eligible to vote	8,546
% of resolutions voted	8,316   97.31%
% of resolutions voted with management	7,220   86.82%
% of resolutions voted against management	1,052   12.65%
% of resolutions abstained	44   0.53%
In what % of meetings, for which you did vote, did you vote at least once against management?	344   58.21%
% of resolutions voted contrary to the proxy adviser recommendation	800   9.62%

\*As at 27 October 2023 The Diversified Growth Fund was merged into the Diversified Growth and Income Fund, so the numbers on the above table represent a joint report.

## Trustee's Annual Report - Implementation Statement (continued)

### c. Pyrford

A summary of Pyrford's voting behaviour over the period is provided in the table below:

	Summary Info
Manager name	Pyrford
Fund name	Global Total Return Fund
Approximate value of Trustees' assets	£1.0m as at 31 March 2024
Number of equity holdings in the fund	64
Number of meetings eligible to vote	62
Number of resolutions eligible to vote	1,001
% of resolutions voted	94.31%
% of resolutions voted with management	94.60%
% of resolutions voted against management	5.40%
% of resolutions abstained	0.00%
In what % of meetings, for which you did vote, did you vote at least once against management?	60.00%
% of resolutions voted contrary to the proxy adviser recommendation	3.07%

## 7. Most significant votes over the year

### a. LGIM

LGIM describes its process for determining the "most significant" votes as follows:

"As regulation on vote reporting has recently evolved with the introduction of the concept of 'significant vote' by the EU Shareholder Rights Directive II, LGIM wants to ensure they continue to help their clients in fulfilling their reporting obligations. LGIM also believe public transparency of their vote activity is critical for their clients and interested parties to hold LGIM to account.

For many years, LGIM has regularly produced case studies and/or summaries of LGIM's vote positions to clients for what they deemed were 'material votes'. LGIM are evolving their approach in line with the new regulation and are committed to provide their clients access to 'significant vote' information.

In determining significant votes, LGIM's Investment Stewardship team takes into account the criteria provided by the Pensions & Lifetime Savings Association consultation (PLSA). This includes but is not limited to:

- High profile vote which has such a degree of controversy that there is high client and/or public scrutiny;
- Significant client interest for a vote: directly communicated by clients to the Investment Stewardship team at LGIM's annual Stakeholder roundtable event, or where LGIM note a significant increase in requests from clients on a particular vote;
- Sanction vote as a result of a direct or collaborative engagement;
- Vote linked to an LGIM engagement campaign, in line with LGIM Investment Stewardship's 5-year ESG priority engagement themes.

LGIM will provide information on significant votes in the format of detailed case studies in their quarterly ESG impact report and annual active ownership publications.

## Trustee's Annual Report - Implementation Statement (continued)

Given the similar holdings within each of the funds with their respective currency hedged version of the funds, significant votes cast in each fund were the same for both unhedged and hedged fund versions.”

### **b. Abrdn**

Abrdn define their process for defining “most significant” votes as follows:

“At Abrdn we view all votes as significant and vote all shares globally for which we have voting authority, unless there are significant voting obstacles such as shareblocking. In line with PLSA requirements we identify and record what we deem to be the most significant votes across all our holdings. We have identified five categories of votes we consider as significant and have ordered these based our view of their importance. This enables us to provide a specified number of votes across a client’s portfolio upon request. Members of our Central ESG Investment Function carry out a monthly review to identify and categorise significant votes. These categories and details of the underlying votes captured are as follows:

Significant Vote Category 1 ('SV1'): High Profile Votes

- Focus on votes which received public and press interest with a focus on our large, active holdings
- Focus on votes which reflect significant governance concerns regarding the company
- Resolutions proposed by Abrdn

Significant Vote Category 2 ('SV2'): Shareholder and Environmental & Social (E&S) Resolutions

- Votes on shareholder E&S proposals where we have engaged with the proponent or company on the resolution
- Votes on management-presented E&S proposals
- Focus on shareholder proposals where we have voted contrary to management recommendations

Significant Vote Category 3 ('SV3'): Engagement

- Focus on resolutions where we have engaged with the company on a resolution
- Focus on resolutions where post-engagement we voted contrary to our custom policy

Significant Vote Category 4 ('SV4'): Corporate Transactions

- Focus on selected votes which have a financial impact on the investment with a focus on acquisitions

Significant Vote Category 5 ('SV5'): Votes contrary to custom policy

- Focus on large active holdings where we have voted contrary to custom policy following analysis.”

In addition, our voting policy can also be found on our website:

[https://vds.issgovernance.com/repo/2024/policies/Listed\\_Company\\_Stewardship\\_Guidelines.pdf](https://vds.issgovernance.com/repo/2024/policies/Listed_Company_Stewardship_Guidelines.pdf)



## Trustee's Annual Report - Implementation Statement (continued)

### c. **Pyrford**

Pyrford define their process for defining “most significant” votes as follows:

“At Pyrford we believe that all proxy votes are important and aim to vote on all ballots received on behalf of our clients. All proxy votes are reviewed by our ESG Forum on a quarterly basis. Those deemed to be “significant” are where we believe the outcome could have a meaningful impact on shareholder returns over our five-year investment horizon and/or could have a bearing on the decision to continue holding a stock.

These could include, but not limited to, management and board appointments and compensation, decisions affecting capital structure as well as company responses to social, environmental or competitive pressures. A sample of those applying to the fund are in the enclosed report, full public disclosure on all votes executed and our policy can be found on our company website.

In the enclosed report, we have provided a sample list at Fund level. In this submission we have only included votes against management, however, for future submissions we may include a wider sample including votes with management on significant issues.

For investors within our pooled Fund, the Pyrford Global Total Return Fund, all votes are carried out in line with our bespoke proxy voting policy. Segregated clients can apply their own voting criteria to their mandate. Pyrford do not consult with clients prior to voting however we are always happy to hear our client's views on upcoming votes.

We have attached a copy of our bespoke proxy voting policy which details our guidelines - this can also be found on our website.

Pyrford's policy is to consider every resolution individually and to cast a proxy on each issue. The sole criterion for reaching these voting decisions is being in the best interests of the client. This is part of Pyrford's broader fiduciary responsibility to its clients.

Pyrford have appointed ISS Proxy Voting Services to monitor meetings data and to produce a voting schedule based upon individual client proxy voting guidelines, or Pyrford's guidelines where a client does not provide their own. While we consider ISS to be providing us a 'proxy adviser' service, Pyrford's portfolio managers have the final authority to decide on how votes are cast in line with the relevant guidelines.”

## Trustee's Annual Report - Implementation Statement (continued)

### **Examples of significant votes over the period for the LGIM World Emerging Equity Index Fund**

Company name	Amazon.com, Inc.	Alphabet Inc.
Date of vote	2023-05-24	2023-06-02
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	1.344087	1.016602
Summary of the resolution	Resolution 13 – Report on Median and Adjusted Gender/Racial Pay Gaps	Resolution 18 - Approve Recapitalization Plan for all Stock to Have One-vote per Share
How you voted	For (Against Management Recommendation)	For (against management recommendation)
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM pre-declared its vote intention for this meeting on the LGIM Blog. As part of this process, a communication was set to the company ahead of the meeting.	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a 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	A vote in favour is applied as LGIM expects companies to disclose meaningful information on its gender pay gap and the initiatives it is applying to close any stated gap. This is an important disclosure so that investors can assess the progress of the company's diversity and inclusion initiatives. Board diversity is an engagement and voting issue, as we believe cognitive diversity in business – the bringing together of people of different ages, experiences, genders, ethnicities, sexual orientations, and social and economic backgrounds – is a crucial step towards building a better company, economy and society.	Shareholder Resolution - Shareholder rights: A vote in favour is applied as LGIM expects companies to apply a one-share-one-vote standard.
Outcome of the vote	29% (Fail)	30.7% (Fail)
Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage with the company and monitor progress.	LGIM will continue to monitor the board's response to the relatively high level of support received for this resolution.

On which criteria (as explained in the cover email) have you assessed this vote to be "most significant"?	Pre-declaration and Thematic – Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.	High Profile meeting: This shareholder resolution is considered significant due to the relatively high level of support received.
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**Examples of significant votes over the period for the LGIM World Emerging Equity Index Fund – Hedged fund**

Company name	Apple Inc.	JPMorgan Chase & Co.
Date of vote	2024-02-28	2023-05-16
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	4.506765	0.875797
Summary of the resolution	Report on Risks of Omitting Viewpoint and Ideological Diversity from EEO Policy	Resolution 9 - Report on Climate Transition Plan Describing Efforts to Align Financing Activities with GHG Targets
How you voted	Against	For (Against Management Recommendation)
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 pre-declared its vote intention for this meeting on the LGIM Blog. As part of this process, a communication was set to the company ahead of the meeting.
Rationale for the voting decision	Shareholder Resolution - Environmental and Social: A vote AGAINST this proposal is warranted, as the company appears to be providing shareholders with sufficient disclosure around its diversity and inclusion efforts and nondiscrimination policies, and including viewpoint and ideology in EEO policies does not appear to be a standard industry practice.	We generally support resolutions that seek additional disclosures on how they aim to manage their financing activities in line with their published targets. We believe detailed information on how a company intends to achieve the 2030 targets they have set and published to the market (the 'how' rather than the 'what', including activities and timelines) can further focus the board's attention on the steps and timeframe involved and provides assurance to stakeholders. The onus remains on the board to determine the activities and policies required to fulfil their own ambitions, rather than investors imposing restrictions on the company.
Outcome of the vote	Fail*	34.8% (Fail)

Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to 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.
On which criteria (as explained in the cover email) have you assessed this vote to be "most significant"?	Thematic - Diversity: LGIM views diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.	Pre-declaration and Thematic – Climate: LGIM considers this vote to be significant as we pre-declared our intention to support. We continue to consider that decarbonisation of the banking sector and its clients is key to ensuring that the goals of the Paris Agreement are met.

\*the percentage of fail was not disclosed

### **Examples of significant votes over the period for the ABRDN Diversified Growth Fund**

Company Name	GSK Plc	Unilever Plc
Ticker	GSK	ULVR
Primary ISIN	GB00BN7SWP63	GB00B10RZP78
Country of Operation	United Kingdom	United Kingdom
Meeting Date	03-May-23	03-May-23
Meeting Type	Annual	Annual
Proponent	Management	Management
Proposal Number	2	2
Proposal Code	M0550	M0550
Proposal Code Description	Advisory Vote to Ratify Named Executive Officers' Compensation	Advisory Vote to Ratify Named Executive Officers' Compensation
Proposal Code Category	Compensation	Compensation
Votable Proposal	Yes	Yes
Proposal Text	Approve Remuneration Report	Approve Remuneration Report
Management Recommendation	For	For
ISS Recommendation	For	Against
Voting Policy Recommendation	Against	Against
Voted	Yes	Yes
Vote Instruction	Against	Against
Blended Rationale	SV1: The long-term incentive scheme used by the company allows high levels of vesting for the achievement of threshold performance.	SV1: The incoming CEO's salary has been set higher than his predecessor's and is significantly higher than his current salary at Royal FrieslandCampina, and UK market peers. The Company has not provided compelling justification for this remuneration package.
Vote Against Management	Yes	Yes
Vote Against ISS	Yes	No
Vote Against Policy	No	No
Meeting ID	1727450	1717857
Significant Vote Category	SV1	SV1
% Holding	0.02%	0.04%
Vote Outcome	Pass	Fail

## Trustee's Annual Report - Implementation Statement (continued)

### **Examples of significant votes over the period for the Pyrford Global Total Return Fund**

Company name	Novartis	PT Telkom Indonesia
Date of vote	15/09/2023	30/05/2023
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.53%	0.55%
Summary of the resolution	Spin-off of Sandoz Group AG	Proposed business spin-off and related transactions
How you voted	For Management	For Management
Where you voted against management, did you communicate your intent to the company ahead of the vote?	Whilst Pyrford's Portfolio managers do on occasion contact management prior to a vote, usually we will vote without prior dialog with management. Engagement with management will usually follow after a vote if escalation is deemed necessary from management.	Whilst Pyrford's Portfolio managers do on occasion contact management prior to a vote, usually we will vote without prior dialog with management. Engagement with management will usually follow after a vote if escalation is deemed necessary from management.
Rationale for the voting decision	Shareholders were asked to vote on the distribution (by way of a dividend-in-kind) and share capital reduction to affect the spin-off of the Sandoz Group AG into a publicly traded standalone company. Sandoz is generics and biosimilar business, which formed a division at Novartis before the spin-off. We voted for this proposal at the Extraordinary Shareholder Meeting. The decision to spin-off Sandoz follows a considered and thorough strategic review of all the options available to the business. This corporate action will allow each company to pursue their own (differing) strategic ambitions, backed by independent capital structures and capital allocation policies that can be targeted to the individual needs of the business. The spin-off should allow greater focus on maximising value creation for shareholders of both companies.	Telkom Indonesia proposed transferring the entire fixed broadband business (IndiHome) to its mobile subsidiary PT Telekomunikasi Selular (Telkomsel) for IDR 58.25trn. The consideration will be satisfied by the issuance of 33,300 new Telkomsel shares to the company. Telkom Indonesia owns 65% of the company and Singapore Telecom owns 35%.The proposal enables Telkomsel to gain both revenue and cost synergies. On the revenue side they can offer fixed broadband to their mobile customer base, offer fixed mobile convergence to those customers unable to get fixed broadband, and offer bundled offerings. On the cost side there is the potential to save Rp5trn per year from single billing, more efficient capex, reduced customer touch points, and the merging of cost centres.
Outcome of the vote	Proposal was approved at the AGM.	Proposal was approved at the AGM.
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	The decision to follow up with companies after a vote lies with the individual portfolio manager responsible for casting the vote and with discretion over the company. Where it is deemed necessary to follow up, our portfolio managers will do so directly through a process of direct engagement with the company. In most cases, follow up is not required.	The decision to follow up with companies after a vote lies with the individual portfolio manager responsible for casting the vote and with discretion over the company. Where it is deemed necessary to follow up, our portfolio managers will do so directly through a process of direct engagement with the company. In most cases, follow up is not required.

<p>On which criteria (as explained in the cover email) have you assessed this vote to be "most significant"?</p>	<p>At Pырford we believe that all proxy votes are important and aim to vote all ballots received on behalf of our clients. All proxy votes are reviewed by our ESG Forum on a quarterly basis. Those deemed to be "significant" are where we believe the outcome could have a meaningful impact on shareholder returns over our five-year investment horizon and/or could have a bearing on the decision to continue holding a stock.. These could include management and board appointments and compensation, decisions affecting capital structure as well as company responses to social, environmental or competitive pressures.</p>	<p>At Pырford we believe that all proxy votes are important and aim to vote all ballots received on behalf of our clients. All proxy votes are reviewed by our ESG Forum on a quarterly basis. Those deemed to be "significant" are where we believe the outcome could have a meaningful impact on shareholder returns over our five-year investment horizon and/or could have a bearing on the decision to continue holding a stock.. These could include management and board appointments and compensation, decisions affecting capital structure as well as company responses to social, environmental or competitive pressures.</p>
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