Section 8 – Implementation Statement, covering 1 January 2020 to 31 December 2020

The Trustees of the Channel Four Television Staff Pension Plan (the "Plan") are required to produce a yearly statement to set out how, and the extent to which, the Trustees have followed the voting and engagement policies in their Statement of Investment Principles ("SIP") during the year. This is provided in Section 1 below.

The Statement is also required to include a description of the voting behaviour during the year by, and on behalf of, trustees (including the most significant votes cast by trustees or on their behalf) and state any use of the services of a proxy voter during that year. This is provided in Section 3 below.

1. Introduction

No changes were made to the voting and engagement policies in the SIP during the year. The last time these policies were formally reviewed was September 2019.

The Trustees have, in their opinion, followed the Plan's voting and engagement policies during the year, by continuing to delegate to their investment managers the exercise of rights and engagement activities in relation to investments, as well as seeking to appoint managers that have strong stewardship policies and processes. The Trustees took a number of steps to review the Plan's existing managers and funds over the period, as described in Section 2 below.

2. Voting and engagement

As part of its advice on the selection and ongoing review of the investment managers, the Plan's investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers' approaches to voting and engagement.

In June 2020 LCP held a session with the Trustees updating them on developments within Responsible Investment, and upcoming regulatory requirements. LCP and the Trustees reviewed LCP's responsible investment (RI) scores for the Plan's existing managers and funds, along with LCP's qualitative RI assessments for each fund. These scores cover the approach to ESG factors, voting and engagement. The fund scores and assessments are based on LCP's ongoing manager research programme and it is these that directly affect LCP's manager and fund recommendations. The manager scores and red flags are based on LCP's Responsible Investment Survey 2020.

The highest score available is 4 (strong) and the lowest is 1 (weak). The Trustees have agreed to write to any investment manager who receives a score of 2 or lower, or a red flag, to request that they improve their RI practices. As a result of this, the Trustees wrote to two managers over the Scheme year, Veritas, who manage part of the Plan's equity portfolio and IFM, who manage part of the Plan's infrastructure portfolio.
The Trustees were satisfied with the results of the review, planned improvements to the managers' processes, and no further action was taken.

3. Description of voting behaviour during the year

All of the Trustees' holdings in listed equities are within pooled funds and the Trustees have delegated to their investment managers the exercise of voting rights. Therefore, the Trustees are not able to direct how votes are exercised and the Trustees themselves have not used proxy voting services over the year.

In this section we have sought to include voting data on the Plan's funds that hold equities as follows:

- Veritas Global Focus Fund
- Ruffer Absolute Return Fund
- LGIM Global Emerging Markets Index Fund

3. Description of voting behaviour during the year (continued)

The Trustees will continue to work with their advisers and investment managers with the aim of providing fuller voting information in future implementation statements.

3.1 Description of the voting processes

3.1.1 Veritas

Veritas recognises that it is common practice for pooled investors to rely on their investment manager to vote and Veritas Asset Management LLP (VAM LLP) takes this responsibility seriously. Pooled fund clients have the right to request that Veritas votes in a certain direction. In this instance, as the client holds units in the pooled vehicle and is not the direct owner of the underlying shares, Veritas may choose to vote contrary to the client's wishes. If this is the case, the client will receive an explanation on the rationale behind the vote.

The relevant investment analyst at Veritas will receive all relevant proxies and determine if he or she believes that Veritas should vote in favour or against management. After discussing with the Portfolio Manager and making a final decision, the analyst will instruct the custodian or prime broker via the Operations Team how to vote. This is done via Institutional Shareholder Services ("ISS"), and the role of the Operations Team is to ensure that the voting of proxies is done in a timely manner. The Role of the Chief Operating Officer ("COO") is to monitor the effectiveness of these policies.

Veritas use ISS to execute voting on behalf of clients and have also mandated ISS to construct a customized screen for various ESG issues.

Veritas have constructed a customised ESG Voting policy based on the AMNT Red Lines. The Red Lines contain 37 guidelines covering topics associated with ESG. For example, the 5 red lines that relate to climate related factors include a red line to vote against senior management if the business has no climate change committee with board oversight. Should any of the 37 red lines be breached, the instruction is to either vote against management or explain why not. Given this Red Line Voting Policy was developed principally for pooled fund investors (who have been unable to direct votes) and for UK stocks only, Veritas have instructed ISS to apply the guidelines globally where applicable and apply the policy across all clients.
Veritas define significant votes as those which may have a material impact on long-term sustainable value creation or influence corporate governance/business practices.

3.1.2 Ruffer

Ruffer, as a discretionary investment manager, does not have a formal policy on consulting with clients before voting. However, Ruffer can accommodate client voting instructions for specific areas of concerns or companies where feasible.

It is Ruffer's policy to vote on Annual General Meeting ("AGM") and Extraordinary General Meeting ("EGM") resolutions, including share-holder resolutions, as well as corporate actions. Ruffer endeavours to vote on the vast majority of its holdings but retains discretion to not vote when it is in clients' best interests (for example in markets where share blocking applies). Ruffer votes on its total share-holding of the companies held within the Ruffer Absolute Return Fund. Voting on companies not held within these funds is subject to materiality considerations. Ruffer applies this policy to both domestic and international shares, reflecting the global nature of its investment approach.

To apply this policy, Ruffer works with various industry standards, organisations and initiatives and actively participate in debates within the industry, promoting the principles of active ownership and responsible investment. For example, Ruffer is a Principles for Responsible Investment ("PRI") signatory , participates in several working groups at the Investment Association and, through its commitment to Climate Action 100+, has co-filed resolutions where it felt this was the most appropriate course of action.

3.1 Description of the voting processes (continued)

3.1.2 Ruffer (continued)

Ruffer has internal voting guidelines as well as access to proxy voting research, currently from ISS, to assist in the assessment of resolutions and the identification of contentious issues. In general, Ruffer does not delegate or outsource stewardship activities when deciding how to vote on clients' shares. Each research analyst, supported by Ruffer's responsible investment team, reviews the relevant issues on a case-by-case basis and exercises their judgement, based on their in-depth knowledge of the company. If there are any controversial resolutions, a discussion is convened with senior investment staff and, if agreement cannot be reached, there is an option to escalate the decision to the Head of Research or the Chief Investment Officer.

Ruffer looks to discuss with companies any relevant or material issue that could impact holdings. Ruffer will ask for additional information or an explanation, if necessary, to inform voting discussions. If Ruffer decides to vote against the recommendations of management, it will endeavour to communicate this decision to the company before the vote along with an explanation for doing so.

Ruffer recognises that collaborative engagement can also provide a platform to engage on wider sector, regulatory and policy matters with investors and other stakeholders. Ruffer is open to working alongside other investors on both policy and company specific matters. The decision to collaborate on company specific matters will be judged on a case-by-case basis by the responsible investment team with input from research analysts and portfolio managers as well as the legal and compliance teams. Ruffer engages regularly with the Investment Association and the Institutional Investor Group on Climate Change ("IIGCC"). Through its commitment to Climate Action 100+, Ruffer has collaborated with other investors or asset owners engaging with a number of European and American companies, including making statements at AGMs and co-filing shareholder resolutions.

Ruffer's proxy voting advisor is ISS. In the 12 months to 31 December 2020, of the votes in relation to holdings in the Ruffer Absolute Return Fund, Ruffer voted against the recommendation of ISS over 7.9% of the time.

Ruffer defines 'significant votes' as those of particular interest to clients. In most cases, these are when they form part of continuing engagement with the company and/or Ruffer has held a discussion between members of the research, portfolio management and responsible investment teams to make a voting decision following differences between the recommendations of the company, ISS and Ruffer's internal voting guidelines.

3.1.3 LGIM

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 all LGIM clients. LGIM's 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 society, 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 when LGIM evaluates its voting and engagement policies and defines its strategic priorities for the years ahead. LGIM also takes into account client feedback received at regular meetings and ad-hoc comments or enquiries.

All voting decisions are made by LGIM's Investment Stewardship team and in accordance with LGIM's 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 LGIM's stewardship approach flows smoothly and that engagement is fully integrated into the vote decision process, therefore sending consistent messaging to companies.

3.1 Description of the voting processes (continued)

3.1.3 LGIM (continued)

LGIM's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote using clients' shares. All voting decisions are made by LGIM and no part of the strategic decision-making process is outsourced. LGIM's use of ISS recommendations is purely to augment its 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 it receives from ISS for UK companies when making specific voting decisions.

To ensure its proxy provider votes in accordance with LGIM's 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 considers are minimum best practice standards that it believes all companies globally should observe, irrespective of local regulation or practice.

LGIM retains the ability in all markets to override any vote decisions, which are based on its 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 its voting judgement. LGIM has strict monitoring controls to ensure its votes are fully and effectively executed in accordance with its voting policies by its 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.

LGIM believes that it is vital that the proxy voting service are regularly monitored and does this through quarterly due diligence meetings with ISS. Representatives from a range of departments attend these meetings, including the client relationship manager, research manager and custom voting manager. The meetings have a standing agenda, which includes setting out LGIM's expectations, an analysis of any issues LGIM has experienced when voting during the previous quarter, the quality of the ISS research delivered, general service level, personnel changes, the management of any potential conflicts of interest and a review of the effectiveness of the monitoring process and voting statistics. The meetings will also review any action points arising from the previous quarterly meeting.

LGIM has its own internal Risk Management System (RMS) to provide effective oversight of key processes. This includes LGIM's voting activities and related client reporting. If an item is not confirmed as completed on RMS, the issue is escalated to line managers and senior directors within the organisation. On a weekly basis, senior members of the Investment Stewardship team confirm on LGIM's internal RMS that votes have been cast correctly on the voting platform and record any issues experienced. This is then reviewed by the Director of Investment Stewardship who confirms the votes have been cast correctly on a monthly basis. Annually, as part of our formal RMS processes the Director of Investment Stewardship confirms that a formal review of LGIM's proxy provider has been conducted and that they have the capacity and competency to analyse proxy issues and make impartial recommendations.

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

- a 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 notes a significant increase in requests from clients on a particular vote;
- a sanction vote as a result of a direct or collaborative engagement; and
- a vote linked to an LGIM engagement campaign, in line with LGIM Investment Stewardship's 5-year ESG priority engagement themes.

3.2 Summary of voting behaviour over the year

A summary of voting behaviour over the period is provided in the table below.

	Veritas - Global Focus Fund	Ruffer - Absolute Return Fund	LGIM - Global Emerging Markets Equity Index Fund
Manager name	Veritas Asset Management LLP	Ruffer LLP	Legal and General Investment Management ("LGIM")
Fund name	Veritas Global Focus Common Contractual Fund	Ruffer Absolute Return Fund	Global Emerging Markets Equity Index Fund
Total size of fund at end of reporting period (£m)	£1,248.3m	£4,650.2m	£343.1m
Value of Plan assets at end of reporting period (£m)	£40.3m	£47.2m	£22.9m
Number of holdings at end of reporting period	30	92	2,830
Number of meetings eligible to vote	30	84	5,671
Number of resolutions eligible to vote	486	1074	47,737
% of resolutions voted	100%	97%	c.100%
Of the resolutions on which voted, % voted with management	92%	90%	83%
Of the resolutions on which voted, % voted against management	7%	9%	15%
Of the resolutions on which voted, % abstained from voting	0.2%	1%	1%
Of the meetings in which the manager voted, % with at least one vote against management	47%	39%	6%
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	16%	8%	c.0%

3.3 Most significant votes over the year

Commentary on the most significant votes over the period, from the Plan's asset managers who hold listed equities, is set out below. We have asked the managers to comment on votes that they believe to be significant.

3.3.1 Veritas Global Focus Fund

Company name	The Cooper Companies, Inc.	Canadian Pacific Railway Limited	Cigna Corporation
Date of vote	18/03/2020	21/04/2020	22/04/2020
Summary of the resolutions	Elect Director A. Thomas Bender	Elect Director Gordon T. Trafton	Reduce Ownership Threshold for Shareholders to Call Special Meeting
How you voted	Against	Abstain	Abstain
Rationale for the voting decision	Veritas' ESG voting policy recommended a vote against this item due to the company's lack of disclosure relating to climate metrics.	Veritas believed the company had not shown adequately that they had put in place plans to tackle carbon emissions. Furthermore, while the company had the opportunity to table a vote on certain environmental items put forward by a major shareholder, Veritas acknowledged they did not do this and rather, simply forwarded the proposal to all shareholders together with an inadequate response.	Veritas voted to abstain after it had engaged with the company on this topic ahead of the AGM and made its position clear that a 25% threshold for shareholders to call a special meeting is considered too high. Veritas suggested to the company that 15% would be an appropriate threshold. Veritas also considered 10% to be too low and agreed with the Board's opinion; that a low threshold for qualifying ownership, like the one proposed, could expose shareholders to the risk of special meetings being called by a small number of shareholders focused on narrow or short-term interests, rather than the long-term best interests of the company and shareholders generally.

Company name	CVS Health Corporation	Facebook, Inc	Amazon
Date of vote	14/05/2020	27/05/2020	27/05/2020
Summary of the resolutions	Advisory Vote to Ratify Named Executive Officers' Compensation	Require Independent Board Chair	Report on Potential Human Rights Impacts of Customers' Use of Recognition
How you voted	Against	For	For
Rationale for the voting decision	CVS Health proactively engaged with Veritas in October 2019 and ahead of the AGM to ensure to outline the rationale for the pull forward of the PSU grant to Larry Merlo, CEO, and the new LTI structure. Veritas' concerns were as follows: • The adjusted EPS targets set by management (ratified by the board) were not rigorous or stretching enough. • The link to returns achieved by shareholders was not strong enough. • The payments appeared egregious relative to both others in the industry and (as above) the returns of shareholders in recent year.	Veritas voted for this proposal due to concerns regarding the board's governance and the appointment of a non-independent director to serve as lead director. Furthermore, the Federal Trade Commission entered into a settlement agreement with Facebook whereby the company had agreed to pay a $5bn penalty and to significantly enhance its practices and processes for privacy compliance and oversight. The recent data privacy incidents and subsequent controversies tarnished Facebook's reputation and put shareholder value at risk. These considerations suggested to Veritas that shareholders would benefit from the most robust form of independent board oversight, in the form of an independent board chair.	Veritas voted in favour of this proposal as additional information regarding the processes the company uses to assess human rights impacts in its operations would allow shareholders to better gauge how well Amazon is managing human rights related risks, specifically around new technologies like facial recognition.

Company name	Alphabet Inc.	Altice USA, Inc.
Date of vote	03/06/2020	10/06/2020
Summary of the resolutions	Establish Human Rights Risk Oversight Committee	Elect Director Raymond Svider
How you voted	For	Against
Rationale for the voting decision	Veritas voted for this proposal because continued controversies call into question the extent to which the existing board structure provides adequate oversight on risks the company's technologies present to human rights, which, in turn, creates risks for the company in terms of retaining high-level employees and retaining a good reputation in the eyes of users and advertisers. Also, given the pervasive role of Google in society, it was felt by Veritas that this should be undertaken.	Veritas voted against the election of Raymond Svider for failing to attend at least 75 percent of his total board and committee meetings held during the fiscal year under review without disclosing the reason for the absences.

3.3.2 Ruffer Absolute Return Fund

Company name	Exxon Mobil		
Date of vote	27/05/2020		
Summary of the resolutions	Votes for re-election of non-executive directors	Shareholder resolution for further disclosure of the company's lobbying activities	Shareholder resolution for an independent board Chair
How you voted	Against all non-executive re-elections	For	For
Rationale for the voting decision	Ruffer stressed that it would like ExxonMobil to further align its strategy with the goals of the Paris Agreement and accept responsibility for its scope 3 emissions. Ruffer and the company discussed the progress that European oil and gas companies had made in recent months and suggested that the company join the Energy Transition Commission. As one of the largest oil and gas companies in the world, Ruffer emphasised that it would like to see ExxonMobil helping to address the issues facing the sector. Due to the limited progress since the 2019 AGM, Ruffer decided again to vote against the re-election of all non-executive directors because it did not think they have been representing the best interests of shareholders owing to the slow progress of the engagement with the Climate Action 100+ initiative.	Ruffer viewed this as an important issue, particularly in the US due to the nature of the political system, given the effectiveness of trade associations in lobbying governments around the world. It was perceived that the additional information would allow Ruffer to make a better-informed investment decision.	Ruffer outlined to the company that it would like ExxonMobil to further align its strategy with the goals of the Paris Agreement and accept responsibility for its scope 3 emissions. Ruffer and the company discussed the progress the European oil and gas companies had made in recent months and suggested that the company join the Energy Transition Commission. As one of the largest oil and gas companies in the world, Ruffer emphasised that it would like to see ExxonMobil helping to address the issues facing the sector. Due to the limited progress since the 2019 AGM, Ruffer supported a shareholder resolution for an independent Chair of the Board.

Company name	Cigna	National Oilwell Varco	Barrick Gold
Date of vote	20/04/2020	20/05/2020	05/05/2020
Summary of the resolutions	Votes for re-election of non-executive directors	Votes for re-election of non-executive directors	Votes for re-election of non-executive directors
How you voted	Against 6 non-executive directors	Against 4 non-executive directors	Against 2 non-executive directors
Rationale for the voting decision	Taking into account the average tenure of members of the board, the regions in which the company is domiciled and the sector in which the company operates, Ruffer did not support the re-election of a number of directors in the period because of concerns that they were not independent.	Taking into account the average tenure of members of the board, the regions in which the company is domiciled and the sector in which the company operates, Ruffer did not support the re-election of a number of directors in the period because of concerns that they were not independent.	Taking into account the average tenure of members of the board, the regions in which the company is domiciled and the sector in which the company operates, Ruffer did not support the re-election of a number of directors in the period because of concerns that they were not independent.

Company name	Newmont Mining	Wheaton Precious Metals	Ocado
Date of vote	21/04/2020	14/05/2020	06/05/2020
Summary of the resolutions	Votes for re-election of non-executive directors	Votes for re-election of non-executive directors	Re-election of the Chair of the Board
How you voted	Against 2 non-executive directors	Against 5 non-executive directors	Against
Rationale for the voting decision	Taking into account the average tenure of members of the board, the regions in which the company is domiciled and the sector in which the company operates, Ruffer did not support the re-election of a number of directors in the period because of concerns that they were not independent.	Taking into account the average tenure of members of the board, the regions in which the company is domiciled and the sector in which the company operates, Ruffer did not support the re-election of a number of directors in the period because of concerns that they were not independent.	As in 2019, Ruffer voted against the re-election of the Chair of the Board, who also serves as the Chair of the Nomination Committee. Ruffer was not comfortable with the board structure and believed the company was acting slowly to rectify the situation. In particular, Ruffer did not think there were a sufficient number of independent directors on the board.

Company name	Mitsubishi Electric	Walt Disney	Lloyds Bank
Date of vote	26/06/2020	11/03/2020	21/05/2020
Summary of the resolutions	Vote for re-election of independent director	Shareholder resolution requesting additional disclosures on lobbying activities.	Vote on remuneration policy
How you voted	Against	For	Against
Rationale for the voting decision	While Ruffer appreciated the recent changes made to the company's board structure, including that sub-committees are now chaired by independent directors, it still had concerns over Mr Oyamada. Ruffer did not believe that Mr Oyamada is independent given he is a senior advisor to MUFG Bank which holds shares in Mitsubishi Electric.	Ruffer voted for a shareholder resolution in 2018 and 2019 requesting additional disclosure on lobbying and the company's memberships of trade associations. While the company had responded to these resolutions by increasing its disclosure, this only included trade associations based in the US. As the framework had been established, and the analysis already conducted for these associations, Ruffer did not think it would take a great deal of effort for the company to expand this to cover all trade associations of which it is a member. Ruffer stated this clearly to the company and supported the shareholder resolution in 2020.	Ruffer voted against the proposed remuneration policy at the company because, although it reduced the maximum pay-out at the time of the grant, it significantly relaxed the vesting criteria. Therefore, Ruffer viewed the policy as not sufficiently incentivising management to deliver shareholder value.

Company name	Fuji Electric	Gold Fields	Aena S.M.E
Date of vote	06/08/2020	20/08/2020	29/10/2020
Summary of the resolutions	Governance – director independence and cross shareholdings	Governance – director independence	Vote on shareholder resolution relating to the company's climate transition plan
How you voted	Against	Against	For
Rationale for the voting decision	Ruffer expressed its concern regarding three members of the board which the Company considered to be independent. Two of the directors had worked at companies linked by cross shareholding within the past five years, and one had a recent connection with an important lender to the company. Ruffer reminded the company of its concerns about cross shareholdings more generally, and how this increases the need for truly independent outside directors. Ruffer voted against three board members, Mr Hiramatsu, Mr Takaoka and Mr Tachikawa, at the 2020 AGM. Ruffer also pushed the company to provide greater clarity and transparency around the skills and experience of these board members.	Ruffer voted against both the re-election and the appointment to the Audit Committee of Mr Richard Menell, the Lead Independent Director. Mr Menell had already served on the board for 11 years, and was seeking re-election for a three year term. In line with its voting guidelines, Ruffer did not consider Mr Menell to be independent given his tenure on the board. Consequently, Ruffer did not think it appropriate for him to serve on the Audit Committee, as Ruffer value the independence of board committees to provide a robust oversight and counter-balance to management.	Ruffer voted for three shareholder resolutions, requesting that the company submits its climate transition plan to a shareholder advisory vote at its 2021 AGM and provides updates to its plan on an annual basis from 2022. Ruffer believed that climate change-related risks may be significant for the long-term performance of the company, and therefore it supported these resolutions.

3.3.3 LGIM Global Emerging Markets Equity Index Fund Ruffer Absolute Return Fund

LGIM did not provide information concerning “most important votes” relevant to this fund. LGIM has confirmed that it has not deemed any voting behaviour as significant for the fund, over the Scheme year.