

Section 8 – Implementation Statement, covering 1 January 2021 to 31 December 2022

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 amended in the SIP was September 2019.

The Trustees have, in their opinion, followed the Plan’s voting and engagement policies during the year.

2 Voting and engagement

The Trustees have delegated to the investment managers the exercise of rights attaching to investments, including voting rights, and engagement. However, the Trustees take ownership of the Scheme’s stewardship by monitoring and engaging with managers as detailed below.

These priorities were selected because the Trustees believe these represent key market-wide risks and areas where they believe that good stewardship and engagement can improve long-term financial outcomes for the Plan’s members. These priorities were communicated to the Plan’s investment managers in Q4 2022, with the investment managers acknowledging the Trustees’ stewardship priorities and the expectations placed on them by the Trustees. Given the stewardship priorities were set towards the end of the Plan Year, the Trustees will report on them in more detail in next year’s Implementation Statement.

The Trustees undertake periodic reviews of the effectiveness of the Plan’s investment managers’ approaches to voting and engagement. The Trustees were satisfied with the results of the most recent review and no further action was taken at that time. Further, where investment managers attend Trustee meetings to provide an update on their investment portfolios, the Trustees also receive updates on their voting and engagement practices.

In addition to the above, as part of the Trustees’ quarterly review of the Plan’s investments, the investment advisor, LCP, highlights to the Trustees whether there has been any developments in the area of stewardship that requires the Trustees’ attention.

The Trustees are conscious that responsible investment, including voting and engagement, is rapidly evolving and therefore expects most managers will have areas where they could improve. Therefore, the Trustees aim to have an ongoing dialogue with managers to clarify expectations and encourage improvements.

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

3.1 Description of the voting processes

3.1.1 Veritas

Veritas has mandated Institutional Shareholder Services ("ISS") to construct a customised screen for ESG issues which incorporates the Association of Member Nominated Trustees ("AMNT") Red Lines, on a best endeavours basis. The AMNT Red Line Voting Policy contains 29 guidelines covering topics associated with ESG. Should any of the 29 red lines be breached, the instruction is to either comply or explain. As the 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. In addition, ISS provide vote recommendations based on their benchmark policy. This ensures that guidance is provided for ballots related to topics that are not captured by the ESG voting policy.

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.

For the purposes of this report, Veritas has defined "significant votes" as votes cast that result in a vote against management.

3.1.2 Ruffer

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).

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.

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 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.

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 whether:

- a vote is high profile, meaning there is likely to be client and/or public scrutiny;
- there is 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;

- there is a sanction vote as a result of a direct or collaborative engagement; and
- there is a vote linked to an LGIM engagement campaign, in line with LGIM Investment Stewardship's 5-year ESG priority engagement themes.

12.2 Summary of voting behaviour over the year

A summary of voting behaviour over the period (where provided by the investment managers) 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)	£475.4m	£4,242.7m	£127.8m
Value of Plan assets at end of reporting period (£m)	£23.0m	£32.2m	£11.8m
Number of holdings at end of reporting period	25	43	2,555
Number of meetings eligible to vote	25	83	5,085
Number of resolutions eligible to vote	423	1,456	41,945
% of resolutions voted	100%	100%	100%
Of the resolutions on which voted, % voted with management	88%	94%	78%
Of the resolutions on which voted, % voted against management	11%	6%	20%
Of the resolutions on which voted, % abstained from voting	0%	0%	2%
Of the meetings in which the manager voted, % with at least one vote against management	56%	47%	58%
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	10%	6%	8%

- Note: figures may not sum due to rounding.
- **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 in the remainder of this report. From the significant votes provided by the investment managers, the Trustees have selected six from each, intended to cover a variety of topics.
- The Trustees did not inform their managers which votes they considered to be most significant in advance of those votes.
- Given the large number of votes which are cast by managers during every Annual General Meeting season, the timescales over which voting takes place, as well as the resource requirements necessary to allow this, the Trustees did not identify significant voting ahead of the reporting period. Instead, the Trustees have retrospectively created a shortlist of most significant votes by requesting each manager provide a shortlist of votes, which comprises a minimum of ten most significant votes, and suggested the managers could use the PLSA's criteria for creating this shortlist. By informing their managers of their stewardship priorities and through their regular interactions with the managers, the Trustees believe that their managers will understand how they expect them to vote on issues for the companies they invest in on their behalf.

CHANNEL FOUR TELEVISION STAFF PENSION PLAN

3.3.1 Veritas Global Focus Fund

Company name	Charter Communications, Inc.	Unilever Plc	Amazon.com, Inc.
Date of vote	26/04/2022	04/05/2022	25/05/2022
Summary of the resolutions	Report on Lobbying Payments and Policy	Authorise Issue of Equity	Advisory Vote to Ratify Named Executive Officers' Compensation
How you voted	For	Against	Against
Rationale for the voting decision	Veritas voted in favour of this proposal as it believed that additional reporting on the company's lobbying practices and policies, including its trade association memberships and payments, would benefit shareholders in assessing its management of related risks.	Veritas voted against this proposal as it believed management's ability to deploy capital without a shareholder vote should be restricted.	Veritas voted against this proposal as it believed a misalignment between CEO pay and company performance was driven by an excessive equity grant to the new CEO, which lacked performance conditions. Large time-vested awards were granted to other NEOs as well, and it was felt that the compensation program lacked any link to pre-set performance criteria.

Company name	Alphabet Inc.	UnitedHealth Group Incorporated	CoStar Group, Inc.
Date of vote	01/06/2022	06/06/2022	09/06/2022
Summary of the resolutions	Commission Third Party Assessment of Company's Management of Misinformation and Disinformation Across Platforms	Elect Director Stephen J. Hemsley	Elect Director Michael R. Klein
How you voted	For	Against	Against
Rationale for the voting decision	Veritas voted in favour of this proposal as an independent human rights assessment would help shareholders better evaluate the company's management of risks related to the human rights impacts of disinformation and misinformation.	Veritas voted against the election as the level of gender diversity on the company's board was below 40% and had not improved compared to the previous year.	Veritas voted against this proposal as the company did not have a Corporate Social Responsibility, Environmental Sustainability Committee or Health & Safety Committee chaired by a board director, or a named board member with responsibility for these areas. Additionally, the company does not disclose its GHG emissions and has failed to introduce targets relating to its GHG emissions.

CHANNEL FOUR TELEVISION STAFF PENSION PLAN

3.3.2 Ruffer Absolute Return Fund

Company name	Aena	Cigna Corporation	Equinor ASA
Date of vote	18/03/2022	27/04/2022	11/05/2022
Summary of the resolutions	Governance – board structure & independence/effectiveness. Vote on election of CEO/Chairman.	Social - Report on Gender Pay Gap	Environmental - Approve Company's Energy Transition Plan (Advisory Vote)
How you voted	Against	Against	For
Rationale for the voting decision	Ruffer voted against the re-election of Mauricio Lucena Betriu as Director. ISS recommended that Ruffer vote against the CEO/Chairman's re-election as Aena had not split the CEO and Chairman roles and did not have a plan to do so. The company's bylaws dictated a single person should be both CEO & Chairman. To change this bylaw the company would need an Annual General Meeting vote and super-majority approval of the board. To Ruffer, this did not appear to be a high bar to enact change and the company had pressure from minority shareholders to split the roles. But the majority shareholder (the Spanish State) had not shown interest in supporting the change.	Cigna uses an "equal pay for equal work" statistic and reports that there are no material differences in pay data related to gender or race. Although the equal pay for equal work statistic is subjective in that it allows the company to define what it considers an "equal job," the company does report its gender representation statistics and, additionally, it set a parity goal for leadership positions. As such, shareholders have enough information to assess how effectively company practices are working to eliminate discrimination in pay and opportunity in its workforce. Therefore, Ruffer deemed support for this resolution to not be warranted at the time.	Ruffer voted for Equinor's transition plan because it was supportive of the company's efforts to decarbonise. Equinor is at the forefront of offshore wind developments and Ruffer have been impressed by their business success in that area. Equinor are one of few companies who have been profitable in aiming to decarbonise and Ruffer supports that.

Company name	BP Plc	Meta Platforms, Inc	Bristol-Myers Squibb Company
Date of vote	12/05/2022	25/05/2022	03/05/2022
Summary of the resolutions	Environmental - Approve Shareholder Resolution on Climate Change Targets	Social - Provide Report on Child Sexual Exploitation Online	Governance - Require Independent Board Chair
How you voted	Against	For	For
Rationale for the voting decision	Ruffer voted in line with ISS and company management. Ruffer performed extensive work on BP's work on the energy transition and climate change and believed BP to be industry leading. Ruffer supported management in their effort to provide clean, reliable and affordable	Ruffer voted in favour of providing reports on child sexual exploitation online. Ruffer noted that Meta Platforms had experienced some recent controversy related to its alleged failure to catch hundreds of cases of child exploitation on its platform. Given the potential financial	Ruffer's policy is to encourage the separation of the CEO & Chairman roles. This motion calls for the roles to be separated at the end of the current CEO/Chairman's term and these motions had been on the table for years, so the company should have had time to manage the transition with limited

CHANNEL FOUR TELEVISION STAFF PENSION PLAN

	energy and, therefore, Ruffer voted against the shareholder resolution.	and reputational impacts of potential controversies related to child exploitation on the company's platforms, Ruffer suggested that shareholders would benefit from additional information on how the company is managing the risks related to child sexual exploitation, including risks associated with end-to end encryption technologies.	disruption. Therefore, Ruffer believed that support for the proposal was warranted.
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• 3.3.1 LGIM - Global Emerging Markets Equity Index Fund

Company name	Doosan Heavy Industries & Construction Co., Ltd.	The Saudi British Bank	ANTA Sports Products Limited
Date of vote	29/03/2022	17/04/2022	11/05/2022
Summary of the resolutions	Elect Kim Dae-gi as Outside Director	Elect Suleiman Al Queiz as Director	Elect Ding Xiongjun as Non-independent Director
How you voted	Against	Against	Against
Rationale for the voting decision	A vote against was applied on diversity grounds as LGIM expects a company to have a diverse board, including at least one woman. LGIM expect companies to increase female participation both on the board and in leadership positions over time.	A vote against was applied as the company was deemed to not meet minimum standards with regard to climate risk management. Additionally, the vote against was also applied as LGIM expects a CEO/CFO/ED or a non-executive director not to hold too many external roles to ensure they can undertake their duties effectively.	A vote against is applied as LGIM expects the roles of Chair and CEO to be separate. These two roles are substantially different, and a division of responsibilities ensures there is a proper balance of authority and responsibility on the board. A vote against was also applied as the board did not comprise at least 33% independent directors.

Company name	China Construction Bank Corporation	JSW Steel Limited	Info Edge (India) Limited
Date of vote	23/06/2022	20/07/2022	26/08/2022
Summary of the resolutions	Elect Graeme Wheeler as Director	Approve Reappointment and Remuneration of Sajjan Jindal as Managing Director	Reelect Kapil Kapoor as Director
How you voted	Against	Against	Against
Rationale for the voting decision	A vote against was applied under LGIM's Climate Impact Pledge as the Company had not published a clear thermal coal policy and no disclosure of scope 3 emissions associated with investments. As members of the Risk Committee, these directors were considered	A vote against is applied as LGIM expects the roles of Chair and CEO to be separate. These two roles are substantially different, and a division of responsibilities ensures there is a proper balance of authority and responsibility on the board.	The company was deemed to not be meeting minimum standards with regards to climate risk management and disclosure.

CHANNEL FOUR TELEVISION STAFF PENSION PLAN

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