Taylor & Francis Group Pension and Life Assurance Scheme

Implementation Statement, covering the Scheme Year from 1 October 2020 to 30 September 2021

The Trustees of the Taylor & Francis Group Pension and Life Assurance Scheme (the "Scheme") 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 Scheme Year. This is provided in Section 1 below.

The Statement is also required to include a description of the voting behaviour during the Scheme Year by, and on behalf of, trustees. This includes the most significant votes cast by trustees or votes cast on their behalf, and states 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 Scheme Year.

The Trustees have, in their opinion, followed the Scheme's voting and engagement policies during the Scheme 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. Actions taken by the Trustee in relation to the Scheme's existing managers and funds over the period are 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 Scheme's investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers' approaches to voting and engagement.

In February 2020, the Trustees reviewed LCP's responsible investment (RI) scores for the Scheme's existing managers and funds, along with LCP's qualitative RI assessments for each fund and red flags for any managers of concern. 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 Trustees were satisfied with the results of the review and no further action was taken.

The Trustees also receive quarterly updates on ESG and Stewardship related issues from their investment advisers.

3. Description of voting behaviour during the Scheme Year

All of the Trustees' holdings in listed equities are held 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 Scheme Year.

In this section we have sought to include voting data in line with the Pensions and Lifetime Savings Association (PLSA) guidance, on the Scheme's funds that hold equities as follows:

- Legal & General Investment Management ("LGIM")
    - UK Equity Index Fund
    - North America Equity Index Fund
    - Japan Equity Index Fund
    - Europe (ex UK) Equity Index Fund

- Asia Pacific (ex Japan) Developed Equity Index Fund
- World Emerging Market Equity Index Fund

- Baillie Gifford Multi-Asset Growth Fund
- BlackRock Dynamic Diversified Growth Fund

In addition to the above, there can sometimes be voting opportunities for property and private credit funds. The fund managers for the Zurich Property Fund and Partners Private Credit Fund have confirmed that they have not had any voting opportunities over this period.

3.1 Description of the voting processes

3.1.1. LGIM (relevant to all funds the Scheme invests in)

LGIM's voting and engagement activities are driven by ESG professionals and its assessment of the requirements in these areas seeks to achieve the best outcome for all its clients. LGIM's voting policies are reviewed annually and take into account feedback from its 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 its 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 its voting and engagement policies and define strategic priorities in the years ahead. LGIM also take into account client feedback received at regular meetings and/ or ad-hoc comments or enquiries.

All decisions are made by LGIM's Investment Stewardship team and in accordance with its 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, with the aim of ensuring that its 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 Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and LGIM do not outsource any part of the strategic decisions. 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 LGIM receives from ISS for UK companies when making specific voting decisions

To ensure LGIM's proxy provider votes in accordance with its 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 LGIM believe 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.

3.1.2. Baillie Gifford Multi-Asset Growth Fund

All voting decisions are made by Baillie Gifford's Governance & Sustainability team in conjunction with investment managers. Baillie Gifford does not regularly engage with clients prior to submitting votes, however if a segregated client has a specific view on a vote, then it will engage with them on this. If a vote is particularly contentious, Baillie Gifford may reach out to clients prior to voting to advise them of this or request them to recall any stock on loan.

Thoughtful voting of Baillie Gifford's clients' holdings is an integral part of its commitment to stewardship. Baillie Gifford believe that voting should be investment led, because how it votes is an important part of the long-term investment process, which is why its strong preference is to be given this responsibility by its clients. The ability to vote its clients' shares also strengthens its position when engaging with investee companies.

Whilst Baillie Gifford is cognisant of proxy advisers' voting recommendations (ISS and Glass Lewis), it does not delegate or outsource any of its stewardship activities or follow or rely upon recommendations when deciding how to vote on its clients' shares. All client voting decisions are made in-house, in line with its in-house policy and not with the proxy voting providers' policies.

3.1.3. BlackRock Dynamic Diversified Growth Fund

BlackRock's approach to corporate governance and stewardship is explained in our Global Principles. These high-level Principles are the framework for our more detailed, market-specific voting guidelines, all of which are published on the BlackRock website. The Principles describe its philosophy on stewardship (including how it monitors and engage with companies), its policy on voting, its integrated approach to stewardship matters and how it deals with conflicts of interest. These apply across relevant asset classes and products as permitted by investment strategies. BlackRock reviews its Global Principles annually and updates them as necessary to reflect in market standards, evolving governance practice and insights gained from engagement over the prior year.

The team and its voting and engagement work continuously evolves in response to changing governance related developments and expectations. BlackRock's voting guidelines are market-specific to ensure we take into account a company's unique circumstances by market, where relevant. BlackRock informs its vote decisions through research and engage as necessary. BlackRock's engagement priorities are global in nature and are informed by its observations of governance related and market developments, as well as through dialogue with multiple stakeholders, including clients.

BlackRock may also update regional engagement priorities based on issues that it believes could impact the long-term sustainable financial performance of companies in those markets. BlackRock welcomes discussions with its clients on engagement and voting topics and priorities to get their perspective and better understand which issues are important to them. As outlined in its Global Principles, BlackRock determines which companies to engage directly based on its assessment of the materiality of the issue for sustainable long-term financial returns and the likelihood of engagement being productive.

BlackRock's voting guidelines are intended to help clients and companies understand its thinking on key governance matters. They are the benchmark against which BlackRock assesses a company's approach to corporate governance and the items on the agenda to be voted on at the shareholder meeting. BlackRock apply guidelines pragmatically, taking into account a company's unique circumstances where relevant. BlackRock informs its vote decisions through research and engage as necessary. If a client wants to implement their own voting policy, they will need to be in a segregated account. BlackRock's Investment Stewardship team would not implement the policy itself, but the client would engage a third-party voting execution platform to cast the votes.

BlackRock's proxy voting process is led by the BlackRock Investment Stewardship team (BIS), which consists of three regional teams – Americas ("AMRS"), Asia-Pacific ("APAC"), and Europe, Middle East and Africa ("EMEA") - located in seven offices around the world. The relevant analysts with each team will generally determine how to vote at the meetings of the companies it covers. Voting decisions are made by members of the BlackRock Investment Stewardship team with input from investment colleagues as required, in each case, in accordance with BlackRock's Global Principles and custom market-specific voting guidelines.

3.2 Summary of voting behaviour over the Scheme Year

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

	LGIM UK Equity Index Fund	LGIM North America Equity Index Fund	LGIM Japan Equity Index Fund	LGIM Europe (ex UK) Equity Index Fund	LGIM Asia Pacific (ex Japan) Developed Equity Index Fund	LGIM World Emerging Market Equity Index Fund	Baillie Gifford Multi-Asset Growth Fund	BlackRock Dynamic Diversified Growth Fund
Total size of fund at end of the Scheme Year	£21,141m	£38,597m	£7,492m	£13,334m	£5,439m	£7,480m	£2,279m	£3,759m
Value of Scheme assets at end of the Scheme Year (£ / % of total Scheme assets)	£5.2m / 16.5%	£1.7m / 5.5%	£0.9m / 2.9%	£1.7m / 5.4%	£0.8m / 2.7%	£2.5m / 8.1%	£3.9m / 12.5%	£4.0m / 12.6%
Number of equity holdings at end of the Scheme Year	583	643	507	449	388	1,623	95	2,601
Number of meetings eligible to vote	598	625	448	504	330	3,153	109	991
Number of resolutions eligible to vote	8,169	7,766	5,366	8,502	2,361	29,967	1,287	12,303
% of resolutions voted	100%	>99%	100%	100%	100%	>99%	87%	99%
Of the resolutions on which voted, % voted with management	92%	71%	86%	84%	74%	84%	96%	93%
Of the resolutions on which voted, % voted against management	8%	29%	14%	16%	26%	14%	3%	6%
Of the resolutions on which voted, % abstained from voting	Nil	<1%	Nil	<1%	<1%	2%	<1%	1%
Of the meetings in which the manager voted, % with at least one vote against management	47%	94%	75%	77%	73%	50%	18%	34%
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	6%	23%	11%	8%	15%	6%	n/a (manager does not outsource stewardship activities)	<1%

3.3 Most significant votes over the Scheme Year

Commentary on the most significant votes over the Scheme Year, from the Scheme'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. We have selected a subset provided by the managers for each fund based on a combination of factors, including the amount the Scheme has invested in the fund, the potential financial impact of the vote, the potential stewardship impact of the vote, and whether the vote was particularly controversial (for example, if it was high profile).

3.3.1. LGIM UK Equity Index Fund

Company name	Imperial Brands	Domino's Pizza Group Plc	EVRAZ
Date of vote	3 February 2021	4 April 2021	15 June 2021
Summary of the resolution(s)	• Resolution 2: Approve Remuneration Report: • Resolution 3: Approve Remuneration Policy.	Resolution 5 Re-elect Matt Shattock as Director	Resolution 3: Re-elect Alexander Abramov as Director
How the manager voted	Against all resolutions	Against	Against
Rationale of voting decision	Perceived unjustifiable level of CEO renumeration and structure.	The company was deemed to not meet minimum standards with regards to climate risk management and disclosure.	Lack of sufficient gender diversity at Board level.
Outcome of the vote	• Resolution 2 received 40.3% votes against, and 59.7% votes of support. • Resolution 3 received 4.7% of votes against, and 95.3% support.	91.8% of shareholders supported the resolution.	82.8% of shareholders supported the resolution.
Manager criteria for selecting this vote as "most significant"	LGIM are concerned over the ratcheting up of executive pay. It believes executive directors must take a long-term view of the company in their decision-making process.	The vote is linked to LGIM's strategy to tackle climate change.	LGIM views gender diversity as a financially material issue for its clients, with implications for the assets it manages on their behalf.

3.3.2. LGIM North America Equity Index Fund

Company name	Amazon	Proctor & Gamble	NVIDIA Corporation
Date of vote	26 May 2021	13 October 2020	3 June 2021
Summary of the resolution(s)	Resolution 1a: Elect Director Jeffrey P. Bezos.	Resolution 5: Report on effort to eliminate deforestation.	Resolution 1g: Elect Director Harvey C. Jones.
How the manager voted	Against	For	Against
Rationale of voting decision	Advocating for the separation of the roles of CEO and board chair.	Support following ongoing engagement regarding sustainability of resourcing raw materials.	Lack of sufficient gender diversity at Board level.
Outcome of the vote	95.1% of shareholders supported the resolution.	The resolution received the support of 67.7% of shareholders.	94.2% of shareholders supported the resolution.
Manager criteria for selecting this vote as “most significant”	This vote was an example of LGIM escalating engagement through its voting, on the topic of the combination of the CEO and board chair.	The vote is linked to LGIM’s strategy to tackle climate change and attracted a great deal of investor interest.	LGIM views gender diversity as a financially material issue for its clients, with implications for the assets it manages on their behalf.

3.3.3. LGIM Japan Equity Index Fund

Company name	Mitsubishi	Shin-Etsu Chemical Co.	Recruit Holdings Co.
Date of vote	29 June 2021	29 June 2021	17 June 2021
Summary of the resolution(s)	Resolution 3: Amend articles to disclose plan outlining company's business strategy to align investments with goals of Paris Agreement.	Resolution 3.1: Elect Director Saito, Yasuhiko.	Resolution 5: Amend articles to allow virtual only shareholder meetings.
How the manager voted	For	Against	Against
Rationale of voting decision	Advocating for further action to tackle climate change; above current progress on announcing net-zero targets and exclusion policies.	Lack of sufficient gender diversity at Board level ie absence of at least one woman on the board.	Concerns regarding proper communication with shareholders and accountability.
Outcome of the vote	22.7% of shareholders supported the resolution.	90.7% of shareholders supported the resolution.	83.8% of shareholders supported the resolution.
Manager criteria for selecting this vote as “most significant”	LGIM views climate change as a financially material issue for its clients, with implications for the assets it manages on their behalf. This was also a high-profile proposal in Japan, where climate-related shareholder proposals are still rare.	LGIM views gender diversity as a financially material issue for its clients, with implications for the assets it manages on their behalf.	This was a high-profile vote where the company proposed a change in articles to allow virtual-only AGMs, beyond temporary regulatory relief effective for 2 years from June 2021.

3.3.4. LGIM Europe (ex UK) Equity Index Fund

Company name	Total	Sika	FinecoBank
Date of vote	28 May 2021	20 April 2021	28 April 2021
Summary of the resolution(s)	Resolution 6: Re-elect Patrick Pouyanne as Director	Resolution 4.3: Re-elect Paul Haelg as Board Chairman	Resolution 1: Accept financial statements and statutory reports
How the manager voted	Against	Against	Against
Rationale of voting decision	Advocating for the separation of the roles of CEO and board chair.	Lack of sufficient gender diversity at Board level ie expectation of companies in well-governed markets to have at least 30% women on their boards.	The company was deemed to not meet minimum standards with regards to climate risk management and disclosure.
Outcome of the vote	77.4% of shareholders supported the resolution.	98.1% of shareholders supported the resolution.	99.0% of shareholders supported the resolution.
Manager criteria for selecting this vote as "most significant"	This vote was an example of LGIM escalating engagement through its voting, on the topic of the combination of the CEO and board chair.	LGIM views gender diversity as a financially material issue for its clients, with implications for the assets it manages on their behalf.	The vote is linked to LGIM's strategy to tackle climate change.

3.3.5. LGIM Asia Pacific (ex-Japan) Developed Equity Index Fund

Company name	United Overseas Bank	Qantas Airways	Whitehaven Coal
Date of vote	30 April 2021	23 October 2020	22 November 2020
Summary of the resolution(s)	Resolution 5: Elect Wong Kan Seng as Director	• Resolution 3: Approve participation of Alan Joyce in the long-term incentive plan. • Resolution 4: Approve remuneration report.	Resolution 6: Approve Report on potential wind-down of coal operations, with potential to return capital to shareholders.
How the manager voted	Against	Against Resolution 3; For Resolution 4	For
Rationale of voting decision	Lack of sufficient gender diversity at Board level.	Ongoing engagement regarding the suitable reflection of the financial impact of the COVID-19 pandemic in executive renumeration packages.	Supporting a 'managed decline' for fossil fuel companies, in line with global climate targets, with capital being returned to shareholders.
Outcome of the vote	86.0% of shareholders supported the resolution.	• 90% of shareholders supported Resolution 3. • 91% of shareholders supported Resolution 4.	4% of shareholders supported the resolution.
Manager criteria for selecting this vote as "most significant"	LGIM views gender diversity as a financially material issue for its clients, with implications for the assets it manages on their behalf.	This vote highlights the challenges of factoring in the impact of the pandemic into the executive remuneration package.	The vote received media scrutiny and is emblematic of a growing wave of 'green' shareholder activism.

3.3.6. LGIM World Emerging Market Equity Index Fund

Company name	Alibaba	Industrial & Commercial Bank of China	China Mengniu Dairy Company
Date of vote	17 September 2021	21 June 2021	2 June 2021
Summary of the resolution(s)	Resolution 1.1: Elect Director Joseph C. Tsai	Resolution 1: Approve Work Report of the Board of Directors	Resolution 3a: Elect Niu Gensheng as Director and Authorize Board to Fix His Remuneration
How the manager voted	Against	Against	Against
Rationale of voting decision	Advocating for the separation of the roles of CEO and board chair.	The company is deemed to not meet minimum standards with regards to climate risk management and disclosure. Note that this company was also divested by LGIM across its Future World range of funds.	The company is deemed to not meet minimum standards with regards to climate risk management and disclosure. Note that this company was also divested by LGIM across its Future World range of funds.
Outcome of the vote	73.6% of shareholders supported the resolution.	99.8% of shareholders supported the resolution.	66.6% of shareholders supported the resolution.
Manager criteria for selecting this vote as "most significant"	This vote was an example of LGIM escalating engagement through its voting, on the topic of the combination of the CEO and board chair.	The vote is linked to LGIM's strategy to tackle climate change.	The vote is linked to LGIM's strategy to tackle climate change.

3.3.7. Baillie Gifford Multi-Asset Growth Fund

Company name	Rio Tinto	Vonovia	Six Flags Entertainment
Date of vote	9 April 2021	16 April 2021	5 May 2021
Summary of the resolution(s)	Remuneration – Report	Amendment of Share Capital	Remuneration – Say on Pay
How the manager voted	Against	Against	Against
Rationale of voting decision	Baillie Gifford opposed the remuneration report as it did not agree with the decisions taken by the Remuneration Committee in the last year regarding executive severance payments and the vesting of long-term incentive awards.	Baillie Gifford opposed two resolutions which sought authority to issue equity because it viewed the potential dilution levels are not in the interests of shareholders.	Baillie Gifford opposed the executive's remuneration as it viewed several aspects as not in line with best practice.
Outcome of the vote	Pass	Pass	Pass
Manager criteria for selecting this vote as "most significant"	This resolution is significant because Baillie Gifford opposed remuneration.	This resolution is significant because it received greater than 20% opposition.	This resolution is significant because it received greater than 20% opposition.

3.3.8. BlackRock Dynamic Diversified Growth Fund

Company name	Chr. Hansen Holding A/S	Johnson & Johnson	AT&T Inc.
Date of vote	25 November 2020	22 April 2021	30 April 2021
Summary of the resolution(s)	Item 9a: Starting from Financial Year 2020/21, the company must apply the recommendations of the Task force on Climate-related Financial Disclosures (TCFD) as the framework for climate-related disclosure in the company's annual report.	Item 6: Report on civil rights audit	Item 3: Advisory vote to ratify named executive officers' compensation
How the manager voted	For	For	Against
Rationale of voting decision	BlackRock believes that companies should be aiming to initiate as soon as is feasible to provide material information to investors, particularly given the urgent need to address climate risk.	BlackRock voted for this proposal because it believed that an audit would reinforce the effectiveness of the company's current programmes to advance racial equity and might yield further insights.	Concerns around compensation practices, including a large multi-year equity award to a non-CEO executive.
Outcome of the vote	76.4% of shareholders voted against the resolution.	Did not pass. 34% of shareholders supported the resolution.	Did not pass. 48.9% of shareholders supported the resolution.
Manager criteria for selecting this vote as "most significant"	This vote fell under one of BlackRock's key engagement priorities and was against management recommendation.	This vote fell under one of BlackRock's key engagement priorities and was against management recommendation.	This vote fell under one of BlackRock's key engagement priorities, was against management recommendation, and was only supported by a minority of shareholders voting with management.