

Implementation Statement

Professional Footballers' Pension Scheme (Cash Benefit)

Scheme year ended 31 July 2020

This statement sets out the Trustees' approach and implementation of the Environmental, Social and Governance ("ESG") policies set out in the Statement of Investment Principles over the year to 31 July 2020.

The voting behaviour is not given over the Scheme year end to 31 July because investment managers only report this data quarterly, we have therefore given the information over the year to 30 June 2020.

Over the reporting year, the Scheme has undertaken an investment strategy change and at the year-end, the Scheme's investment managers were Baillie Gifford & Co ("Baillie Gifford") and Insight Investment Management ("Insight"). Previously, and during the reporting year, the Scheme had also invested with Newton Investment Management ("Newton"), Aberdeen Standard Investments ("ASI"), Invesco Asset Management ("Invesco"), and Aviva Investors ("Aviva"). As such, this statement also reports on these historic funds.

How voting and engagement policies have been followed

The Scheme invests entirely in pooled funds and, as such, delegates responsibility for carrying out voting and engagement activities to the Scheme's investment managers. The Trustees monitor the engagement and voting activities of the managers by receiving ESG reports and training from the Trustees' investment consultant, and discussing these at regular Trustee meetings.

Over the Scheme year the Trustee has reviewed the ESG and Stewardship considerations in relation to their investment managers. The Trustee regularly considers the performance of the funds and any significant developments. The Trustees are comfortable that the managers are undertaking their voting and engagement in line with the Trustees' policies as far as the reporting is available.

Voting Data

The voting data collated for the Scheme is given over the year to 30 June 2020.

All of the below investment managers engage with companies at a firm level; voting data is therefore provided at a firm level.

Manager	Baillie Gifford	Invesco	ASI	Newton	Aviva
Fund names	Diversified Growth: Multi-Asset Growth Fund	Diversified Growth: Global Targeted Return Fund	Diversified Growth: Global Absolute Return Strategies Fund	Diversified Growth: Real Return Fund	Diversified Growth: Multi-Strategy Target Return Fund
Structure	Pooled				
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustee to influence the manager's voting behaviour.				
Number of resolutions the manager was able to vote at over the year	539	4,584	58,869	7,810	68,919
Percentage of resolutions the manager voted on*	99.8%	94.4%	100%	97.8%	97.9%
Percentage of resolutions the manager abstained from*	0.2%	0.0%	2.0%	0.3%	2.1%
Percentage of resolutions voted against management, as a percentage of the total number of resolutions voted on	6.9%	6.5%	13%	15.9%	24.7%
Percentage of resolutions voted contrary to the recommendation of the proxy advisor	BG vote in line with their in-house policy and not with the proxy voting providers' policies. They do not record where they have voted in-line with or against their recommendations.	4.5%	2.6%	10.9%	17%

*as a percentage of possible votes

Source: Baillie Gifford & Co, Invesco Asset Management, Aberdeen Standard Investments, Newton Investment Management, Aviva Investors

There are no voting rights attached to the other assets held by the Scheme, which include Liability Driven Investment ("LDI") funds, bonds and the Insight Broad Opportunities Fund, as these funds do not hold equities.

Significant votes

The Trustees have delegated to the investment managers to define what a “significant vote” is.

Data on significant votes was requested from the Scheme’s investment managers. However, this has not been provided in a usable format. The Trustees’ investment consultant is liaising with the managers to improve delivery of the data in future, and we understand that the managers are working to improve their disclosures.

Fund level engagement

The investment managers may engage with their investee companies on behalf of the Trustees. The table below provides a summary of the engagement activity undertaken by each manager during the year for the relevant funds. The information is given over the year to 30 June 2020.

Manager	Baillie Gifford	Insight	Invesco	ASI	Newton	Aviva
Fund name(s)	Diversified Growth: Multi-Asset Growth Fund	Liability Driven Investment: LDI Funds and Liquidity Fund Bonds: Buy and Maintain Bond Funds Bonds Plus Fund Credit: Broad Opportunities Fund	Diversified Growth: Global Targeted Return Fund	Diversified Growth: Global Absolute Return Strategies Fund	Diversified Growth Fund: Real Return Fund Bonds: Global Dynamic Bond Fund	Diversified Growth: Multi-Strategy Target Return Fund
Does the manager perform engagement on behalf of the holdings of the fund	Yes	Yes	Yes	Yes	Yes	Yes
Number of engagements undertaken at a firm level in the year	543 across 338 companies	741	2,440	1,651	Engaged with 89 companies	4,401

Source: Baillie Gifford & Co, Insight Investment Management, Invesco Asset Management, Aberdeen Standard Investments, Newton Investment Management, Aviva Investors

Summary

Based on the information received, the Trustees believe that the investment managers have acted in accordance with the Scheme's stewardship policies. The Trustees are supportive of the voting and engagement action taken by the applicable investment managers over the period.

The Trustees and their investment consultant (along with the investment industry as a whole) are working with the investment managers to provide additional voting and engagement information in the future. This will enhance the Trustees' ability to assess the investment managers' stewardship and engagement with investee companies on their behalf.

Prepared by the Trustees of the Professional Footballers' Pension Scheme

November 2020