Implementation Statement, covering 1 April 2019 to 31 March 2020

The Trustees of the Clarkson PLC Pension Scheme (the "Scheme") are required to produce a yearly statement to set out how, and the extent to which, the Trustees have followed their Statement of Investment Principles ("SIP") during the year, details of any review of the SIP during the year, subsequent changes made with reasons for changes, and the date of the last SIP review. Information is provided on the last review of the SIP in Section 1 and on the implementation of the SIP in Sections 2-11 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 covered in Section 12 below.

This Statement uses the same headings as the Scheme's SIP dated 12 September 2019 and should be read in conjunction with this version of the SIP. The SIP has subsequently been reviewed and updated on 6 August 2020. The period covering 1 April 2019 to 31 March 2020 is referred to throughout as the "Scheme year".

1. Introduction - Last review of the SIP

The SIP was reviewed and updated during the Scheme year on 12 September 2019 to reflect updates to:

- the Trustees' Responsible Investment policies, relating to environmental, social and governance ("ESG") issues, non-financial matters and stewardship;
- the DB Section strategy ie reflecting the move to lower risk long-term asset mix in light of the Scheme reaching full funding on a gilts + 0.5% pa basis; and
- the DC Section being transferred from Aviva to Fidelity and the changes to the funds that are now offered, as well as the new AVC structure.

Further detail and the reasons for these changes are set out in subsequent sections. As part of this SIP update, the employer was consulted and confirmed it was comfortable with the changes.

2. Investment objectives

Progress against the long-term journey plan for the DB Section is reviewed as part of the quarterly performance monitoring reports. The Trustees are also able to view the progress on an ongoing basis using LCP Visualise online.

The Trustees are monitoring the DB Section's funding position relative to reaching full funding on a "gilts + 0.5% pa" basis. In 2018 the Scheme reached that funding target and as a result the Trustees and Company agreed to move to a lower risk long term asset mix.

The Default (DC) arrangement was not formally reviewed during the period covered by this Statement but shortly after on 8 and 21 April 2020. Prior to this, it was formally reviewed by the Trustees on 6 February 2017.

The Trustees did consider the suitability of this Default on 21 June 2018 as part of the project to move the DC assets invested in the Scheme to Fidelity. As part of this project, the Trustees made changes to the equity components of the growth phase, which involved reducing the UK equity allocation, from 50% to 10%, to be more in line with a global index weighting. This was implemented as part of the move to the new provider, Fidelity, from 1 June 2019. When DC member assets were moved from Aviva to Fidelity, all of the assets were mapped into the Default, unless a member specified otherwise.

As part of the performance and strategy review of the DC default arrangement on 8 and 21 April 2020 (which is just outside of the Scheme year) the Trustees considered the DC Section membership demographics and the variety of ways that members may draw their benefits at retirement from the Scheme. Prior to this, the last formal investment strategy review prior to the April 2020 reviews was undertaken by the Trustees on 6 February 2017.

Based on the outcome of the 2020 review and analysis, the Trustees concluded that the default lifestyle strategy has been designed to be in the best interests of the majority of the DC Section members and reflects the demographics of those members.

The Trustees also provide members of the DC Section with access to a range of investment options which they believe are suitable for this purpose and enable appropriate diversification. The Trustees have made available a self-select fund range to members covering all major assets classes as set out in Appendix 3 of the SIP. As part of the transfer of assets from Aviva to Fidelity members were communicated with and given the choice of choosing an investment. If members did not make a choice, their assets were transferred into the new default lifestyle strategy. In the communication to members the Trustees also reminded members to review their investment holdings and check they are suitable for their risk tolerances and retirement planning, and to take appropriate financial advice if required.

As part of the 2020 performance and strategy review of the DC default arrangement , the Trustees:

- reviewed the membership demographics and provided a comparison against the PLSA's Retirement Living Standards[1];
- reviewed changes in member choices, behaviour and trends; and
- monitored the take up of the self-select funds, which so far has been limited.

3. Investment strategy

The Trustees did not review the DB investment strategy over the Scheme year but did so in April 2020. There were no immediate strategy changes following this review, but the Trustees are considering a bulk-annuity purchase ("buy-in") whereby a proportion of its liabilities (and assets) are transferred to an insurer.

The Trustees monitor the asset allocation quarterly and compare this to the strategic asset allocation.

The actual asset allocation did not deviate materially from the strategic allocation over the year however where disinvestments to meet the Scheme's cash flow requirements were required, funds were sourced from relevant managers in order to move the Scheme closer to the strategic allocation.

The Trustees did not review the DC investment strategy over the Scheme year. However, as noted above in Section 2, with the help of their advisers and in consultation with the sponsoring employer, the Trustees reviewed the strategy and performance of the default arrangement on 8 and 21 April 2020. In this review the Trustees concluded that drawdown remains an appropriate retirement target for the default lifestyle strategy. The Trustees also reviewed the growth phase of the default arrangements and considered the impact of changing the risk profile of the growth phase, as well as checking that the default arrangement was adequately and appropriately diversified between different asset classes.

As part of the strategy reviews in February 2017 and April 2020 the Trustees reviewed retirement data for the DC Section which was provided by their administrators to see how members access their benefits at retirement.

Considerations in setting the investment arrangements

When the Trustees reviewed the DB investment strategy in April 2020 they considered the investment risks set out in Appendix 2 of the SIP. They also considered a wide range of asset classes for investment, taking into account the expected returns and risks associated with those asset classes as well as how these risks can be mitigated.

When the Trustees undertook a performance and strategy review of the DC default arrangement in April 2020 they considered the investment risks set out in Appendix 2 of the SIP. They also considered a wide range of asset classes for investment, taking into account the expected returns and risks associated with those asset classes as well as how these risks can be mitigated.

Following developments in investment markets and a review of recent evidence of the financial materiality of climate-related risks, the Trustees reconsidered their investment beliefs.

As a result, the Trustees updated the investment beliefs in the SIP. They added two new investment beliefs: "environmental, social and governance (ESG) factors are likely to be one area of market inefficiency and so managers may be able to improve risk-adjusted returns by taking account of ESG factors" and "long-term environmental, social and economic sustainability is one factor that trustees should consider when making investment decisions".

[1] New UK Retirement Living Standards published to help people picture their future retirement and what that might cost

Following the addition of these beliefs, the Trustees reviewed their investment manager mandates to understand the extent to which ESG factors are incorporated in the funds currently held by the Scheme at the April 2020 Trustee meeting. The Trustees advisers concluded that across both the DB and DC arrangement, the Scheme's managers credentials were strong overall with some amongst the top ranked managers.

4. Implementation of the investment arrangements

The Trustees transferred the DC Section assets, held with Aviva, and the legacy Additional Voluntary Contribution policies, with Old Mutual Wealth and Aviva, to Fidelity on 15 July 2019. The Trustees obtained formal written advice from their investment adviser, LCP, before transferring funds to the new provider.

The Scheme's investment adviser, LCP, monitors the investment managers and platform provider on an ongoing basis, through regular research meetings. The investment adviser monitors any developments on the Scheme's investment managers and informs the Trustees promptly about any significant updates or events they become aware of that may affect the managers' ability to achieve their investment objectives. This includes any significant change to the investment process or key staff for any of the funds the Scheme invests in, or any material change in the level of diversification in the fund.

The Trustees invite the Scheme's investment managers and platform provider to present at Trustees' meetings. Over the period, the Trustees met with Fidelity, the Scheme's platform provider, at the May, July and October 2019 Trustees' meeting to discuss the Scheme's DC arrangements and transfer of assets to Fidelity.

The Trustees were comfortable with all of their investment manager arrangements over the year.

The Trustees monitor the performance of the Scheme's investment managers on a quarterly basis, using the quarterly performance monitoring report. The report shows the performance of each manager over the quarter, 1 year and 3 years or since inception where available. Performance is considered in the context of the manager's benchmark and objectives.

The most recent quarterly report shows that the majority of the Scheme's DB assets have performed broadly in line with expectations over the long-term, despite the negative performance during the first quarter of 2020, which was displayed by the majority of asset classes as a result of the COVID-19 pandemic. The two appointed diversified growth fund managers, Schroders and Newton, underperformed their targets over the one, three and five year periods to 31 March 2020, largely due to negative performance in Q1 2020. However, returns have recovered some of these losses since Scheme year end. Overall, these funds have provided some downside protection against falls in equity markets which were experienced in Q1 2020. The Trustees will continue to monitor these funds as markets recover to ensure that they are meeting their targets.

In line with the Scheme year, the Trustees undertook a value for members assessment which assessed the fees payable to managers in respect of the DC Section when compared against schemes with similar sized mandates. This comparison included the fee reductions negotiated as part of the move to Fidelity and the overall conclusion was that the fees members pay are very competitive.

5. Realisation of investments

The Trustees review the DB Section's net current and future cashflow requirements on a regular basis. The Trustees' policy is to have access to sufficiently liquid assets in order to meet any outflows whilst maintaining a portfolio which is appropriately diversified across a range of factors, including suitable exposure to both liquid and illiquid assets.

Over the year, the Trustees sourced disinvestments for cashflow purposes from funds to help rebalance the DB Section's assets towards the strategic asset allocation.

It is the Trustees' policy is to invest in funds that offer daily dealing to enable members to readily realise and change their investments. All of the DC Section funds which the Trustees offer are daily priced.

6. Consideration of financially material considerations and non-financial matters

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 financially material considerations (including climate change and other ESG considerations), voting and engagement ie stewardship.

In April 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 manager's 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' advisers concluded that, across both the DB and DC arrangements, the Scheme's managers credentials were strong overall with some managers amongst the top ranked within the survey. The Trustees were satisfied with the results of the review and no further action was taken.

Within the DC Section the Trustees recognise that some members may wish for ethical matters to be taken into account in their investments and therefore, as mentioned in the SIP, they have made available the Ethical Global Equity Fund as an investment option to members.

7. Stewardship

This is covered in Section 6 above.

8. Responsibilities, decision-making and fees (Appendix 1 of SIP)

As mentioned in Section 5, the Trustees assess the performance of the Scheme's investments on an ongoing basis as part of the quarterly monitoring reports they receive.

The performance of the professional advisers is also considered on an ongoing basis by the Trustees.

The Trustees have put in place formal objectives for their investment adviser and will review the adviser's performance against these objectives on a regular basis (the first review is due in late 2020).

Following a competitive tender process, the Trustees appointed a new administrator for the DC Section, Fidelity, in July 2019.

9. Policy towards risk, risk measurement and risk management (Appendix 2 of SIP)

Risks are monitored on an ongoing basis with the help of the investment adviser.

The Trustees maintain a risk register and this is reviewed and updated annually at a Trustees' meeting.

The Trustees' policy for some risks is to understand them and to address them if it becomes necessary, based on the advice of the Scheme's investment adviser or information provided to the Trustees by the Scheme's investment managers. These risks include credit risk, equity risk, currency risk and counterparty risk.

With regard to the risk of inadequate returns the DB Section of the Scheme, the Trustees monitor the Scheme's funding position and, when undertaking a review of the investment strategy, the best estimate expected return on the DB Section's asset allocation. At its last review, the expected return on the DB Section's assets were anticipated to be sufficient to produce the return needed to meet the Trustees' objectives over the long-term.

With regard to the DC Section, the Trustees make use of equity and equity-based funds, which are expected to provide positive returns above inflation over the long term. These are used in the growth phase of the default option and are also made available within the self-select options. These funds are expected to produce adequate real returns over the longer term.

The DB Section invests in assets which help to mitigate the impact of changes in interest rates and inflation on its funding position - ie assets which provide interest and inflation hedging.

Together, the investment and non-investment risks set out in Appendix 2 of the SIP give rise generally to funding risk. The Trustees formally review the Scheme's funding position as part of its annual actuarial report to allow for changes in market conditions. On a triennial basis the Trustees review the funding position allowing for membership and other experience. The Trustees also informally monitor the funding position more regularly on a quarterly basis at Trustees' meetings and the Trustees also have the ability to monitor this more regularly on LCP Visualise.

The following risks are covered earlier in this Statement: diversification risk, investment manager risk and excessive charges, illiquidity/marketability risk and ESG risks.

10. Investment manager arrangements (Appendix 3 of SIP)

There are no specific policies in this section of the Scheme's SIP.

11. Description of voting behaviour during the year

All of the Trustees' holdings in 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 requested voting behaviour (using the PLSA's draft standard template for manager voting disclosures) for the Scheme's funds that hold equities as follows:

- BlackRock DC Aquila World (ex-UK) Equity Index Fund (DC only);
- BlackRock DC Aquila UK Equity Index Fund (DC only);
- LGIM Ethical Global Equity Index Fund (DC only);
- Newton Real Return Fund (DB and DC); and
- Schroders Diversified Growth Fund (DB and DC).

For the DC Section we have included only the relevant funds used in the default strategy. We have also requested this information for the LGIM Ethical Global Equity Index Fund (Ethical Global Equity Fund), given the ethical focus of this fund.

Please note that we not yet received data in relation to the Schroders Diversified Growth Fund or the BlackRock DC Aquila World (ex-UK) Equity Index Fund, so voting information on these funds has been omitted from this Statement.

11.1 Description of the voting processes

11.1.1 Newton Real Return Fund

Overall, Newton prefer to retain discretion in relation to exercising clients voting rights and have established policies and procedures to ensure the exercise of global voting rights. It believes the value of its client's portfolios can be enhanced by the application of good stewardship. This is achieved by engagement with investee companies and through the considered exercise of voting rights. Newton's understanding of a company's fundamental business enables it to assess the appropriate balance between the strict application of corporate governance policies and taking into account a company's unique situation.

Newton's head of responsible investment (RI) is responsible for the decision-making process of the RI team when reviewing meeting resolutions for contentious issues. Newton does not maintain a strict proxy voting policy. Instead, it prefers to take into account a company's individual circumstances, our investment rationale and any engagement activities together with relevant governing laws, guidelines and best practices. Voting decisions are approved by either the deputy chief investment officer or a senior investment team member (such as the head of global research).

It is only in the event of a material potential conflict of interest between Newton, the investee company and / or a client that the recommendations of the voting service used (Institutional Shareholder Services, or the ISS) will take precedence. Newton utilise ISS for the purpose of administering proxy voting, as well as its research reports on individual company meetings.

11.1.2 BlackRock Aquila World (ex-UK) Equity Index Fund

BlackRock's approach to corporate governance and stewardship is explained in its Global Corporate Governance and Engagement Principles. These high-level Principles are the framework for BlackRock's more detailed, market-specific voting guidelines, all of which are published on the BlackRock website. The Principles describe BlackRock's philosophy on stewardship (including how it monitors and engages 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 Corporate Governance & Engagement 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 it takes into account a company's unique circumstances by market, where relevant. BlackRock informs its vote decisions through research and engages as necessary. Its engagement priorities are global in nature and are informed by BlackRock's observations of governance related and market developments, as well as through dialogue with multiple stakeholders, including clients. BlackRock may also update its 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 Corporate Governance and Engagement 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 its 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 it assesses a company's approach to corporate governance and the items on the agenda to be voted on at the shareholder meeting. BlackRock applies its guidelines pragmatically, taking into account a company's unique circumstances where relevant. It informs its vote decisions through research and engages as necessary.

11.1.3 LGIM Ethical Global Equity Index Fund

Every year, LGIM holds a stakeholder roundtable event where clients and other stakeholders 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.

11.2 Summary of voting behaviour over the year

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

	Fund 1	Fund 2	Fund 3*
Manager name	Newton	BlackRock	LGIM
Fund name	Newton Real Return Fund	BlackRock Aquila World (ex-UK) Equity Index Fund	Ethical Global Equity Index Fund
Approximate value of trustees' assets	£16.3m	£41.7m	£0.2m

	Fund 1	Fund 2	Fund 3*
Average number of holdings	79	Not provided	1,036
Number of meetings eligible to vote	70	2,154	1,026
Number of resolutions eligible to vote	953	26,001	14,170
% of resolutions voted	97.0%	94.0%	98.5%
% of resolutions voted with management	90.2%	94.7%	85.2%
% of resolutions voted against management	9.8%	5.3%	14.7%
% of resolutions abstained	0.0%	0.0%	0.1%
% of meetings with at least one vote against management	30%	n/a	66.2%

* The inception date for this fund was 15 May 2019. Given the mid-quarter inception date and the availability of data from LGIM, the data provided covers the period from 1 April 2019 to 31 March 2020.

11.3 Most significant votes over the year

Commentary on the most significant votes over the period is set out below. We have asked the managers to comment on votes that they believe to be significant. We have selected a subset of the commentaries provided by the managers below for each fund based on a combination of factors, including 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). Details of other significant votes are available upon request.

11.3.1 Newton Real Return Fund

1) Microsoft Corporation, December 2019. Vote: against management

Summary of resolution: Advisory Vote to Ratify Named Executive Officers' Compensation, ratify external auditors and report on gender pay gap.

Rationale: Despite improvements to executive remuneration practices over recent years, the company failed to justify a 40% increase in total compensation for the CEO, which included a significant increase in basic salary. In addition, Newton remained concerned that approximately half of long-term pay awards vest irrespective of performance. Newton voted against the executive compensation arrangements and against the three members of the compensation committee.

Newton also voted against the reappointment of the company's external auditor given it had served in this role for 36 consecutive years.

2) Eversource Energy, May 2019. Vote: against management

Summary of resolution: Advisory Vote to Ratify Named Executive Officers' Compensation.

Rationale: Newton voted against executives' compensation arrangements and the long-standing members of the compensation committee owing to the predominant use of long-term pay awards that vest subject only to time served.

3) Suzuki Motor Corp, June 2019. Vote: against management

Summary of resolution: Approve Allocation of Income and Dividends, Elect Directors and Appoint Internal Statutory Auditor(s) and Approve Auditor's/Auditors' Remuneration.

Rationale: Newton voted against the board chair and company president owing to concerns surrounding the company's approach to quality control. Newton considered that the board chair and president should be held accountable as they had served on the board for 55 and 16 years respectively.

11.3.2 BlackRock Aquila World (ex-UK) Equity Index Fund

1) BHP Group, October (BHP Group Plc), November 2019. Vote: against

Summary of resolution: Lobbying inconsistent with the goals of the Paris Agreement.

Rationale: BlackRock voted against the shareholder resolution because BHP is an industry leader on climate-related issues and BHP's track record, and BlackRock's engagements with their management and board, give BlackRock confidence in BHP's judgment on these issues. Additionally, the ultimate goal of this resolution appeared to be more targeted at the industry associations than at driving positive outcomes at BHP**.**

For these three reasons, BlackRock did not support the shareholder resolution on lobbying activities at the BHP 2019 annual general meetings. BlackRock will continue to engage with the management and board of BHP on a range of material issues of economic relevance, not just limited to climate-related risks, and regardless of whether the company receives a shareholder resolution. BlackRock will continue to encourage BHP – and all the companies with which they engage – to make further progress on climate-related issues, holding them to their commitments through their ongoing dialogue with the management and board of directors.

2) Qualcomm Inc., March 2020. Vote: against

Summary of resolution: To elect to the Board of Directors: Harish Manwani; and to approve, on an advisory basis, executive compensation.

Rationale: Based on BlackRock's analysis and engagement with the company, it voted against the advisory vote on executive compensation. In addition, because BlackRock believes that when a company is not effectively addressing a material issue, its directors should be held accountable, it voted against the election of the longest-tenured compensation committee member, Harish Manwani. BlackRock will continue to engage with the board and management of Qualcomm on a range of governance, compensation, and material sustainability issues, and it intends to monitor and provide feedback on the quality of relevant disclosures.

3) The Walt Disney Company, March 2020. Vote: BlackRock voted in favour of all management proposals and against a shareholder proposal seeking disclosure on political lobbying

Summary of resolution: Election of Directors, ratification of the appointment of auditors, consideration of an advisory vote to approve executive compensation, approval of an amendment to the Company's Amended and Restated 2011 Stock Incentive Plan, consideration of a shareholder proposal requesting an annual report on lobbying.

Rationale: BlackRock supported management on all proposals. Where companies are making progress on key corporate governance issues, BlackRock states that it will generally support the board and management in those efforts. BlackRock determined that The Walt Disney Company's current level of disclosure is in line with the best practices detailed in BlackRock's commentaries on executive compensation and on corporate political activities.

11.3.3 LGIM Ethical Global Equity Index Fund

1) EssilorLuxottica, May 2019. LGIM voted for the resolutions to appoint three Board Directors.

Summary of resolutions: Elect Wendy Evrard Lane as Director; Elect Jesper Brandgaard as Director; Elect Peter James Montagnon as Director

Rationale: In 2018, French lenses producer Essilor merged with Italian frame manufacturer Luxottica. Upon conclusion of the merger, the executive chair of Luxottica´s holding company (Delfin) owned 32.7% of the merged company's share capital. Under the terms of the merger agreement, the executive chairman and Essilor's executive vice-chairman were both given equal powers. A board was also established, with membership split equally between Essilor and Delfin. In March 2019 an internal disagreement between the two heads of the merged entity occurred. Two of the company's shareholders – Comgest and Valoptec – put forward three board nominees in a bid to break the impasse. LGIM contacted EssilorLuxottica to discuss the issue but received no reply. LGIM engaged extensively with Comgest, Valoptec and the board nominees. LGIM publicly announced its support for the board nominees ahead of the AGM to ensure the current board knew its intentions and to raise awareness to the other shareholders.