



Vote  
Reporting  
Group

## **Feedback Statement**

# Vote Reporting: Feedback Statement from the Vote Reporting Group

March 2025

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## This relates to

Vote Reporting Group's consultation and discussion paper which is available on the FCA's website at [www.fca.org.uk/publications](http://www.fca.org.uk/publications)

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## Chairs' foreword

The evidence is clear: effective investor stewardship is vital for the long-term value creation that both companies and their shareholders need. Amongst the tools in an investor's stewardship toolkit, the right to vote at company meetings is of utmost importance, providing a public opportunity to demonstrate support for, or challenge, a company.

Asset owners sit in a privileged position at the top of the investment chain. It is therefore critical that they receive timely, relevant and decision-useful information from their managers to help them scrutinise intermediaries' voting decisions on the issues that are material to good outcomes for the beneficiaries.

The market for voting information has developed significantly over the last decade. However, we recognise that further improvement is needed. This is why we were delighted to take the baton from Deborah Gilshan in January 2024 as Co-Chairs, and build upon her work to raise standards on voting disclosure through the Vote Reporting Group. We remain thankful for Deborah's ongoing support and advice throughout.

As an industry-led initiative, and given the length and complexity of the investment chain, it has always been important for the Vote Reporting Group to extensively engage with asset owners, asset managers, investment consultants, proxy advisors, voting technology experts and relevant civil society organisations. During our tenure as Co-Chairs, we have continued Deborah's work to do just that, helping us produce a template that meaningfully raises the current standard of voting disclosures in a way that can be implemented, scaled and used by investors of all shapes and sizes. Asset managers, in particular, could benefit from a consistent and standardised market-wide approach, enabling them to more efficiently meet the varying requirements of their clients.

It bears highlighting that everyday savers are the primary stakeholders of the Vote Reporting Group's work. It is therefore essential for asset owners investing on their behalf to have transparency around utilisation of shareholder rights and responsibilities, in an increasingly complex voting ecosystem. We are therefore delighted that the Pensions and Lifetime Savings Association (PLSA) will be responsible for future oversight of the template, having participated in the Vote Reporting Group since the beginning as well as playing a fundamental role in raising industry standards through its own 2020 template. The new template published by the PLSA combines the best of both the Vote Reporting Group's and the PLSA's work, supporting a streamlined and straightforward approach by service providers to updating their systems, while ensuring asset owners get the voting information they need. The new template also incorporates recommendations from the Investment Association and PLSA's joint report, *Investment Relationships for Sustainable Value Creation*. This report advocated for an industry-led approach to enhance the standardisation of vote disclosures.

The Vote Reporting Group has relied upon the willingness of our wide range of members from within the investment industry to commit time, resource and expertise. We would like to express our thanks for the generosity with which each member did so. We are also grateful to the Financial Conduct Authority for their support as Secretariat to the Group.

Voting disclosure will continue to evolve alongside the market for effective stewardship and as asset owners increasingly expect that their intermediaries proactively influence for long-term value creation. We hope this template will decisively improve the flow of voting information across the investment chain, helping asset owners and managers collaborate on stewardship and receive timely information in the best interests of the everyday savers on whose behalf we invest.

**Caroline Escott, Senior Investment Manager, Railpen**  
**Shipra Gupta, Investments Stewardship Lead, Scottish Widows**

**Co-Chairs of the Vote Reporting Group**

# Introduction

Voting on shareholder resolutions is a powerful method for UK asset managers to enhance effective stewardship and to demonstrate clients' beliefs and investment choices. Stewardship supports long-term value creation for beneficiaries and enhances transparency, accountability, and trust within the institutional investment community. This contributes to the UK financial market's integrity and stability whilst promoting the UK's position as a world-leading centre for asset management.

The Taskforce on Pension Schemes Voting Implementation 2021 report revealed a misalignment between pensions schemes' stewardship expectations and asset managers' delivery. This presented the opportunity for the industry to nurture consistent and efficient vote reporting, and the exchange of timely information, to ensure that the investment community can work together to deliver long-term, sustainable value.

The Vote Reporting Group connects key stakeholders and aims to develop an industry-led consensus for a voluntary, standardised, and comprehensive vote reporting template for asset managers in the UK. Following thorough consultation, the Group is now publishing the agreed vote reporting template. Once merged with the PLSA's updated template, it will be ready for firms to use from early 2026.

The template is now a key component of the sustainable finance toolkit for industry to voluntarily and ongoingly use. It is a simple digital reporting format to help industry balance reporting requirement demands to refocus resources on delivering effective stewardship and investment work. The template will help pension schemes effectively analyse voting activity and give asset managers efficiency with one digital template. The template is a 'by-industry, for-industry' tool that builds upon the Government's ambition for whole-of-economy Sustainability Disclosure Requirements, the work of the Transition Plan Taskforce, and the recommendations from the Transition Finance Market Review.

I would like to thank the Group's Co-Chairs, Caroline Escott, and Shipra Gupta, and previous Chair Deborah Gilshan, for their commitment to delivering the template and extensive engagement with industry to ensure the template is decision-useful for its asset owners and is beneficial and proportionate for asset managers. Their knowledge and collaborative enthusiasm have steered the Group towards these outcomes. I am grateful to the Group's members for their continued valuable input.

The Group is a strong example of where we have listened to and worked with firms to encourage high standards of stewardship. The FCA supports industry's efforts to improve transparency in vote reporting to facilitate the transition to a more sustainable economy. Now, the industry can adopt the template to standardise their vote reporting and to boost the UK economy's competitiveness and growth through higher quality engagement and market discipline.

**Sacha Sadan**  
**Director of Sustainable Finance**

**Financial Conduct Authority**

## Chapter 1

# Summary of this feedback statement

## Summary

- 1.1 This paper summarises the feedback received in response to Vote Reporting: A consultation and discussion paper from the Vote Reporting Group (VRG).
- 1.2 The Group aimed to build consensus around: (i) how to enhance shareholder vote reporting; and (ii) how best to build on existing vote reporting foundations and industry practice to improve the transparency of stewardship activity across the UK community.
- 1.3 In June 2023, the Group proposed a voluntary, standardised and comprehensive vote reporting template for asset managers to communicate to asset owner clients on their voting activity. The paper also explored the case for the vote reporting template being a public registry.

## About the Vote Reporting Group

- 1.4 In November 2022, the Financial Conduct Authority (FCA) established the Vote Reporting Group ('the Group') as an independent working Group to build an industry consensus for a voluntary standardised and comprehensive vote reporting template for UK asset managers. The FCA serves as the Secretariat for the Group.
- 1.5 The FCA commissioned Deborah Gilshan, an advisor on investment stewardship, to chair the Group. Deborah chaired the Group throughout the development of the consultation paper.
- 1.6 Since January 2024, the Group has been co-chaired by Caroline Escott, Senior Investment Manager, Railpen, and Shipra Gupta, Investments Stewardship Lead, Scottish Widows.
- 1.7 Until the end of the consultation period, the Group had 31 members from across industry drawn from the key trade associations. These included investment managers, pension funds, insurers, trade bodies, investment consultants, proxy advisors and non-governmental organisations. The Group's membership was selected to ensure participants from across the investment chain were given a sufficient voice and were able to provide input, such that a rounded view was reached.
- 1.8 In May 2024, the Group's membership was adjusted to better align with the requirements for delivering the template.
- 1.9 The FCA and Financial Reporting Council act as observers to the Group. The Department for Work and Pensions (DWP) and The Pensions Regulator also held this role until January 2024.

- 1.10 The decisions in this Feedback Statement are those of the Group and not the FCA.
- 1.11 The summaries from the Group's meetings are published [here](#).

## Who will be interested in this feedback statement

- 1.12 This Feedback Statement is likely to be of interest to, but not limited to, the following stakeholders:
- Asset managers
  - Asset owners
  - Consumers and their representative bodies
  - Industry Groups and trade bodies
  - Investment consultants
  - Non-governmental organisations
  - Other service providers eg voting data
  - Proxy advisors
  - Public companies
  - Regulatory bodies and policy makers

## The wider context of this feedback statement

- 1.13 Shareholder voting is a key component of a comprehensive and effective stewardship strategy. Alongside capital allocation and engagement, voting can be a powerful tool for investors to support and challenge the companies they invest in.
- 1.14 The work of the Group follows other recent industry-led work.
- 1.15 The template addresses some of the key issues and recommendations that were highlighted in the 2021 [report](#) by the Taskforce on Pension Scheme Voting Implementation. This report identified barriers to effective voting of equity share by pension schemes. Several recommendations to Government, regulators and industry were targeted at improved vote reporting and monitoring.
- 1.16 The Investment Association (IA) and Pensions and Lifetime Savings Association's (PLSA) 2022 [report](#) on Investment Relationships for Sustainable Value Creation acknowledges that "...[a]chieving better standardisation of vote disclosures would support pension funds and asset managers to meet their regulatory obligations and to make more meaningful comparisons and assessments of how voting is supporting sustainable value". The IA-PLSA report emphasises that "a solution is clearly needed to enable efficient transmission of voting information throughout the intermediated investment chain" and called for an industry-led solution.
- 1.17 Better voting transparency allows asset owners to benchmark voting outcomes against their own stewardship and voting policies. This will help asset owners make more informed decisions on matters such as strategic asset allocation and asset manager selection and engagement.

## Outcomes the Group are seeking

- 1.18** The Group aims to build on current vote disclosure practices to provide more consistent, comprehensive, and granular information on voting. This will enable investors and broader market participants to hold asset managers to account on their voting practices. Asset owners can make more informed decisions on how to allocate their assets in the most efficient and effective way.
- 1.19** Enhancing the transparency of voting activities can better align the stewardship objectives, activities, and voting preferences of asset owners and asset managers. This alignment can lead to improved value for money for asset owners' beneficiaries, more effective monitoring of costs related to asset manager relationships, sufficient challenge to investee companies, and increased long-term financial returns for investors. The Group's template will help companies better understand voting decisions in a timely manner and it can lead to higher quality engagement and market discipline.
- 1.20** A standardised vote reporting template can help to alleviate additional costs on asset managers who respond to duplicative requests from asset owners and investment consultants on their vote activity.

## Summary of feedback

- 1.21** The Group proposed a voluntary, standardised and comprehensive vote reporting template for asset managers to communicate to owner clients on their voting activity. The template included standard fields, category fields and rationale fields.
- 1.22** The Group requested feedback on wider aspects of the template, such as the approach to client-led voting (CLV), pre-disclosure of voting intentions and the frequency of reporting.
- 1.23** The paper also explored the case for the vote reporting template being a public registry.
- 1.24** The Group received 45 responses to the consultation paper from across the investment chain, including asset owners and their representatives. The Group is unable to publish a list of respondents. The below section summarises the feedback in relation to:
- The vote reporting template
  - The public registry

## The vote reporting template

- 1.25** Overall, respondents were supportive of the Group's aim to create a voluntary, standardised and comprehensive vote reporting template for UK asset managers to use when reporting to their clients.
- 1.26** Respondents were broadly supportive of the proposed standard fields, with some suggested adjusting of language to better align with market practice.



- 1.27** Responses to the category fields focused on how the category fields interact with the rationale fields, the level of granularity of the categories and the approaches to weighting the Group could take.
- 1.28** There were many views on the rationale fields and what information is the most decision-useful for clients to receive. Opinions varied from simplifying the fields to facilitate asset managers' contributions to the template, to endorsing the comprehensive information these fields could provide.
- 1.29** The Group proposed a set of principles for when a rationale is required. There was broad agreement, with suggested refinements.
- 1.30** The Group sought feedback on the ownership and oversight model of the template. Opinions varied, with some advocating for separate individual organisations to hold these roles, while others preferred organisations or established Groups to hold both roles.
- 1.31** Many respondents opposed the creation of an oversight body, questioning its role relative to the template's owners. They argued that an oversight body could unnecessarily complicate the governance framework. Instead, they suggested a single body could manage both ownership and oversight.
- 1.32** For those supporting separate ownership and oversight bodies, some recommended existing organisations take on these roles, potentially with regulatory support.
- 1.33** There was broad agreement that the template should adopt a quarterly reporting frequency, not adopt client-led voting at present, and agreed with the Group's proposed approach of pre-disclosed voting intentions being out of scope of the Group's work.

### **The public registry**

- 1.34** There were varied views among respondents regarding the proposal to establish the template as a publicly accessible registry.
- 1.35** Those in favour of a public registry, largely asset owners, suggested the possible benefits it could bring to the industry, such as an increase in transparency and accountability, improved data collection and a reduction in the need for ad-hoc reporting requests.
- 1.36** Those less in favour of a public registry, largely asset managers, suggested firms could face legal, technical or compliance challenges from publicly disclosing a vote rationale.
- 1.37** Some respondents suggested that the Group should review client-led uptake of the template first and the extent to which it is delivering its intended objectives via client reporting, before assessing the need for a public registry.

## The Vote Reporting Group's response

### The vote reporting template

#### *The vote reporting template's fields*

- 1.38 The Group agreed that the template will include standard fields, category fields and a narrative rationale field.
- 1.39 The standard fields will mostly remain as those consulted on, with an added field to distinguish between the country of incorporation and the country of trade. Some field names and categories have been updated to better align with market terminology.
- 1.40 The vote category fields have been updated to offer more options for users, thereby improving the accuracy of the information.
- 1.41 The resolution category field, which remains single tier, will allow users to select up to 5 categories.
- 1.42 The vote rationale fields have been simplified to include only a narrative rationale when a vote meets one or more of the associated principles for when a rationale is required. The Group has streamlined the principles for when a rationale is required, removing 'change of company strategy'. This updated approach addresses feedback on the template's useability and the additional efforts of completing rationales.
- 1.43 The Group recognised the importance of the field 'is the vote decision linked to engagement with the issuer?' but acknowledged feedback which suggested providing information could present challenges to asset managers at this stage. Therefore, although the field will not be included in the template's first release, it will be considered for future inclusion.

#### *Wider aspects of the vote reporting template*

- 1.44 The Group has agreed for the template to be owned and managed by the Pensions and Lifetime Savings Association.
- 1.45 PLSA's ownership of the template means its existing template will be updated to incorporate the Group's agreed template. This approach minimises potential duplication that could arise from introducing a separate template. The new template will comply with DWP statutory guidance.
- 1.46 This means that there will not be separate ownership and oversight models, which is broadly in line with the feedback received to the consultation.
- 1.47 The Group's agreed template can be found on page 23. This does not reflect the new template the PLSA will release.

- 1.48** The Group has agreed that the template should adopt a quarterly reporting frequency, that the template should not adopt client-led voting at present and that pre-disclosed voting intentions are out of scope of the Group's work.

### **The public registry**

- 1.49** The Group has agreed to not establish a public registry at this time. Instead, the Group will focus on the delivery of the vote reporting template. Once the template is operational and firms are using it to disclose votes, the Group may reconsider the case for a public registry.

## **Pensions and Lifetime Savings Association's ownership of the template**

- 1.50** The PLSA represents pension schemes that together provide a retirement income to more than 30 million savers in the UK and invest more than £1.3 trillion in the UK and abroad. The PLSA's members also include asset managers, consultants, law firms, fintechs, and others who play an influential role in people's financial futures. Their aim is to help everyone achieve a better income in retirement.
- 1.51** The Group has agreed for the PLSA to assume ownership and management of the Group's template.
- 1.52** The PLSA will incorporate elements of its existing template into the Vote Reporting Group's template to create a new template. This will comply with DWP Statutory Guidance.
- 1.53** The PLSA will publish an FAQs document to provide immediate support for the new template and will publish guidance for the new template later in 2025. The FAQs document addresses key themes that have arisen through industry engagement during the development of the new template. It is intended to support understanding and provide clarity on the purpose of the new, merged template. The Group does not expect that the FAQs will provide all the necessary technical support for users to complete the template. This will be outlined when the PLSA publish the guidance.
- 1.54** The new template is likely to be operational and ready for firms to use from early 2026.
- 1.55** More information can be found on the [PLSA's website](#).

## **Reference to Guidance**

- 1.56** Whilst the consultation did not specifically request feedback to providing guidance to the template, some respondents did provide suggestions on what the guidance should include. The Group and the PLSA will take these into consideration when developing the guidance.

## Next steps

- 1.57** Firms do not need to take any immediate action regarding their vote reporting.
- 1.58** All next steps firms can take are included in the PLSA's FAQs document.
- 1.59** The Group and the PLSA will continue their engagement with proxy advisors and the industry throughout the year to deliver and embed the template.
- 1.60** The template is likely to be operational and ready for firms to use from early 2026.

## Future of the Vote Reporting Group

- 1.61** The Group has achieved its objectives to develop a recommendation on:
- minimum vote reporting requirements for asset managers
  - ownership of the vote disclosure framework
  - storage and dissemination of vote reporting data
- 1.62** The Group will provide feedback to the PLSA to support the successful delivery of the new template.

## Equality and diversity considerations

- 1.63** The Group has considered the equality and diversity issues that may arise from the proposals in this Feedback Statement.
- 1.64** Overall, the Group does not consider that the proposals materially impact any of the groups with protected characteristics under the Equality Act 2010.

## Acknowledgements

- 1.65** The Vote Reporting Group co-Chairs and Secretariat would like to thank all members of the Group for their time, expertise and dedication to developing the vote reporting template.
- 1.66** The co-Chairs and Secretariat would also like to thank:
- Deborah Gilshan for her leadership as Chair of the Vote Reporting Group until summer 2023.
  - The Department for Work and Pensions, Financial Reporting Council and The Pensions Regulator for acting as observers to the Group.
  - The firms, groups and associations who provided feedback throughout the development of the template. The co-Chairs and Secretariat sought to engage widely throughout this process with market participants and are grateful for the willingness of so many from so many different parts of the industry to contribute.
  - The PLSA for taking ownership and management of the Group's template and developing the FAQ document and guidance.

## Chapter 2

# The Group's feedback and its response

### Standard Field Proposals (Questions 1-7)

2.1 The Group proposed standard fields of the vote reporting template to provide essential data behind the vote.

2.2 The column letters reflect the template fields consulted on.

2.3 **Field name: Name of the issuer (Column A)**

The Group asked:

**Q1: Do you have any comments on the proposed field 'name of the issuer'?**

2.4 Almost all respondents agreed the inclusion of the issuers name as part of the template would be valuable and decision-useful information to asset owners.

2.5 The Group's response: The Group has agreed to include this field in the template as proposed.

2.6 **Field Name: Meeting date (Column B)**

The Group asked:

**Q2: Do you have any comments on the proposed field 'meeting date'?**

2.7 Almost all respondents were supportive of using a UK date format DD/MM/YYYY.

2.8 The Group's response: The Group has agreed to include this field in the template as proposed.

2.9 **Field Name: Meeting Type (Column C)**

The Group asked:

**Q3: Do you have any comments on the proposed field 'meeting type'?**

2.10 Almost all respondents were supportive of including the meeting type column as part of the template.

**2.11** The Group's response: The Group has agreed to include this field in the template as proposed.

**2.12 Field Name: Country (Column D)**

The Group asked:

**Q4: Do you have any further comments on the proposed field 'country'?**

**2.13** Almost all respondents were supportive of including the country field as part of the template.

**2.14** It was suggested the Group provide further clarification on whether country refers to country of incorporation for the issuer, country of listing for the issuer or other.

**2.15** The Group's response: The Group has agreed to introduce a new country column to differentiate between 'country of incorporation' and 'country of trade'.

**2.16 Field Name: Reporting Identifier (Column E)**

The Group asked:

**Q5: Do you have any comments on which reporting identifier should be used in the vote reporting template?**

**2.17** Most respondents endorsed the use of International Securities Identification Numbering (ISIN) as the reporting identifier because it is internationally recognised and is an International Organization for Standardization compliant standard. Additionally, ISIN is a universally recognised identifier of securities and distinguishes between different classes of securities.

**2.18** Other reporting identifiers were not widely endorsed by respondents and respondents advised using only one reporting identifier in the template.

**2.19** It was suggested that this column be renamed from 'Reporting Identifier' to 'Issuer Identifier' to better reflect what is expected to be reported.

**2.20** The Group's response: The Group has agreed to rename this column 'issuer identifier' to align with market practice. The Group also agreed to use the ISIN as the issuer identifier.

**2.21 Field Name: Resolution Identifier (Column F)**

The Group asked:

**Q6: Do you have any suggestions on a suitable resolution identifier?**

- 2.22** Several respondents suggested that the resolution identifier should match what is used on the final ballot paper issued by companies or issuers. They recommended this approach to facilitate communication with entities that do not use the template or refer directly to companies' or issuers' proxy statements.
- 2.23** It was noted that discrepancies between different ballot providers could lead to inconsistent mapping and necessitate manual intervention by users of the template. Some respondents proposed that the resolution identifier should align with what proxy voting providers use. However, it was highlighted that there could be instances where the numbering differs between the report issued by the proxy advisor and the notice of meeting provided by issuers or companies.
- 2.24** The Group's response: The Group has agreed to allow a variety of identifiers to be entered in the field to reflect market practice.
- 2.25** **Field Name: Resolution Title (Column G)**

The Group asked:

**Q7: Do you have any comments on the proposed field 'resolution title'?**

- 2.26** Many respondents emphasised that users reporting on the resolution title should strive for consistency and comparability.
- 2.27** Several respondents suggested that the resolution title should match the wording used on the final ballot paper as stated by the company or issuer.
- 2.28** The Group's response: The Group has agreed to include this field in the template as proposed.

## Vote Category Fields

- 2.29** The Group proposed vote category fields of the vote reporting template to classify and organise the different types of votes that shareholders can cast on various issues.
- 2.30** **Field Name: Resolution Category (Column H)**

The Group asked:

**Q8: Do you have any comments on the proposed field 'resolution type'?**

- 2.31** There was broad support for the inclusion of the resolution category field.
- 2.32** Some respondents suggested focusing the categories on resolutions, distinct from vote rationale. Many saw benefits in a single level of categorisation for to aid comparability and to avoid the categories being too open to interpretation.

**2.33** Many highlighted the role of proxy advisors and suggested aligning categories with those used by proxy advisors or distribution services for easier mapping, as well as the US Securities and Exchange Commission's Form NP-X.

**2.34** Several disagreed with keeping 'resolution type' at a high level, arguing it wouldn't support UK occupational pension trustees in reporting significant thematic votes under DWP guidance. They suggested the proposed categories lack granularity and recommended sub-categorising for more decision-useful information.

**2.35** The Group's response: The Group has agreed to include this field into the template. The field categories will remain single-tier and high-level to ensure greater consistency and enhanced searchability. Users will be able to select up to five options.

**2.36 Field Name: Proponent (Column I)**

The Group asked:

**Q9: Do you have any comments on the proposed field 'proponent' and the two field data options?**

**2.37** Most respondents were supportive of including proponent as one of the fields as part of the template.

**2.38** The Group's response: The Group has agreed to include this field in the template. The category 'company' has been changed to 'management' to better reflect market practice.

**2.39 Field Name: Company recommendation (Column J)**

The Group asked:

**Q10: Do you have any comments on the proposed field 'company recommendation'?**

**2.40** Most respondents were supportive of including the proposed data fields 'for', 'against' and 'no recommendation' as part of the template.

**2.41** Feedback suggested that Column J should be renamed to 'management recommendation' because resolutions are put forward by company management.

**2.42** Several respondents suggested Column J requires an additional standard data field in the form of 'other' or 'not applicable'. This is because some votes fall outside of the options currently included.

**2.43** The Group's response: The Group has agreed to include this field in the template. The field title has been changed to 'management recommendation'. The category 'other' has been added to reflect feedback on market practice.



## 2.44 Field Name: Vote instruction (Column K)

The Group asked:

**Q11: Do you have any comments on the proposed field 'asset manager instruction'?**

- 2.45** Respondents generally preferred naming Column K to 'vote instruction' rather than 'asset manager instruction' to align with current market practice. Most were satisfied with the standard data fields 'for', 'against', 'abstain', and 'withheld'.
- 2.46** Several respondents suggested adding categories to capture all voting options, noting the importance for asset owners to know when and why votes were not exercised. Without additional fields, reporting entities might need to omit or reassign data, leading to misleading information and internal risks.
- 2.47** Some respondents recommended including options like 'no instruction submitted' or 'did not vote', and an additional column for standardised explanations (e.g., 'ineligible – insufficient holding period', 'out on loan', 'ineligible – late filing'). This would ensure the template covers all voting scenarios, not just exercised votes.
- 2.48** Some respondents suggested including a field to indicate whether the vote instruction was in line with proxy advisors' recommendations. It was highlighted that asset managers are often asked to report this to clients who may find it helpful to understand the extent an asset manager is making vote decisions themselves or outsourcing this responsibility to a third party.
- 2.49** The Group's response: The Group has agreed to include this field in the template, titled 'vote instruction'. The categories 'one year', 'two years' and 'three years' have been added to reflect the timescales of future votes under 'say on pay'. Additionally, the category 'did not vote' has been included to capture the nuance when a vote was not cast.

## Vote Rationale Fields

- 2.50** The Group proposed vote rationale fields of the vote reporting template to help convey the reasoning behind a vote decision, adding important context.
- 2.51 Field Name: Standardised rationale category (Column L)**
- 2.52** The Group proposed that a rationale should be used when a vote falls into one of the following categories:
- Vote against or abstain from a company resolution
  - All shareholder resolutions
  - Change of company strategy
  - Mergers and acquisitions transactions
  - Pre-emptive offers or other special business
  - Company resolutions on environment and social issues

The Group asked:

**Q12: Do you agree with the proposed principles set out in 3.28 for when a vote rationale is required?**

- 2.53** Most respondents broadly agreed with the proposed principles for when a vote rationale is required. Many respondents highlighted that the information obtained through these principles offers valuable insights into the asset manager's decision-making process. Respondents acknowledged that the most insightful vote rationales necessitate a certain degree of manual input and found the proposed principles to be well-balanced.
- 2.54** Some respondents suggested to clarify that asset managers may submit rationales for votes not meeting the criteria.
- 2.55** Some respondents highlighted that a vote 'for' a company resolution can still be significant, and that this category could burden asset managers, especially in larger firms.
- 2.56** Some respondents suggested that the template should not include disclosure on all shareholder resolutions, as they vary by jurisdiction. In some markets, shareholder resolutions are administrative, so including all could be too prescriptive. It was proposed to either exclude the rationale requirement or include a way to identify an against vote as administrative.
- 2.57** Some respondents suggested more clarity for what constitutes a change of company strategy, as many strategies are not put to a vote. Some questioned the decision-usefulness of providing a vote rationale for mergers and acquisitions transactions.
- 2.58** Respondents that commented on company resolutions on environmental and social issues were supportive of its inclusion.
- 2.59** Some respondents raised concerns about the proportionality of requiring both standardised and narrative rationales for all votes meeting the criteria under 3.28, as this exceeds current practices.
- 2.60** The Group's response: The Group has agreed to make some changes to the proposed principle of when a vote rationale is required. 'Change of company strategy' has been removed. 'Pre-emptive offers or other special business' has changed to 'non-pre-emptive offers or other special business' and 'company resolutions on environment and social issues' has changed to 'management resolutions on environment and social issues' to reflect market practice.

The Group asked:

**Q13: What is your preference for the level of disclosure in the field 'standardised rationale category'?**

- 2.61** Responses varied on the level of rationale disclosures. Some favoured a higher-level rationale category, emphasising it allows for explanation while keeping the reporting burden manageable, provides space for additional context under the Narrative Rationale field, aids in aggregating portfolio data, and allows for greater automation and scalability, reducing costs. However, some noted the options under Column L seem more like resolution types than rationales.
- 2.62** Others preferred detailed and granular disclosures, suggesting it helps asset owners monitor and hold managers accountable. They emphasised minimal overlap to avoid confusion and allow for multiple options where a vote rationale covers several categories. Some proposed using both headline categories and specific sub-categories, striking a balance between aggregation and detailed information.
- 2.63** Several respondents noted the need for clarity on whether multiple rationales for a vote require separate categories or a judgement on the primary reason. They warned against oversimplifying voting rationales to a single reason when multiple factors may be involved.
- 2.64** Some respondents questioned whether the proposed options offer a full picture for asset owners scrutinising voting decisions. Overlap between the standardised rationale and narrative rationale fields was also flagged as an important point for the Group to note.
- 2.65** Some respondents suggested that the decision-useful information required by asset owners is best conveyed in the Narrative Rationale field. Consequently, they recommended removing this column, as it could inadvertently encourage a box-ticking approach.
- 2.66** The Group's response: The Group has agreed to remove this field from the template. The Group acknowledged points that some respondents made on the potential additional work required by asset managers to complete several rationale fields and agreed to focus on the Narrative Rationale field.

The Group asked:

**Q14: Do you have any suggestions on what categories should be included in the field 'standardised rationale category'?**

- 2.67** Many respondents disclosed the categories they use, those they would like to see included and those they did not want included.
- 2.68** Some explained they would prefer to see a more detailed breakdown of the proposed standardised categories.
- 2.69** It was suggested the use of 'other' should be monitored by the body that owns the template that body should look to update the list of categories over time as new voting trends emerge.
- 2.70** Many respondents explain Column L as currently designed is identifying the subject on which a rationale is based rather than an actual rationale. They explain the standardised rationale category should aim to communicate the driver behind the decision.

- 2.71** Some suggested common reasons for voting against resolutions should be captured in the standardised rationale categories, for example, 'overly prescriptive' etc.
- 2.72** Some argued the proposed standardised rationale categories are too similar to the resolution categories (Column H) and therefore add little value. The standardised rationale category should give the reason for the vote in a short and standardised format.
- 2.73** It was suggested the Group select vote categories that are consistent with the categories used by existing regulatory disclosure requirements.
- 2.74** It was highlighted the categories for vote rationales are not currently disclosed in a standardised way by asset managers and other Groups, such as proxy advisors. As a result, it was suggested the four rationale fields of the template will present reporting challenges for industry.
- 2.75** The Group's response: The Group has agreed to remove the Standardised Rationale field from the template. The Group acknowledged points that some respondents made on the potential additional work required by asset managers to complete several rationale fields and agreed to focus on the Narrative Rationale field.

**2.76 Field Name: Narrative rationale (Column M)**

The Group asked:

**Q15: Do you have any comments on the proposed 'narrative rationale' field?**

- 2.77** Most respondents supported including narrative rationales, though some were less supportive. Many highlighted the importance of this field for helping asset owners with reporting requirements and understanding their asset managers' voting decisions. Narrative rationales allow asset managers to explain specific circumstances around a vote, including unique factors not captured in the Standardised Rationale field (Column L).
- 2.78** However, some noted that free-form rationales could create a reporting burden, especially for smaller managers. There were concerns that this field might lead to boilerplate reporting, particularly from large, diversified portfolios or passive mandates, increasing costs. Aggregating, comparing, and analysing free text rationales might offer limited benefits to asset owners due to the additional reporting required.
- 2.79** It was suggested that asset managers using a voting provider would likely show the provider's rationale if aligned, rather than drafting their own. Some argued that a free text field for this field would not align with the principle of automating the template, given the volume of votes each year.
- 2.80** Concerns were raised about the potential for narrative rationale disclosures to limit the detail asset managers can provide, posing potential reputational and legal risks. Legal and compliance teams would need extra time and resources to approve disclosures, possibly using set wording that lacks the context asset owners require.

- 2.81** Several respondents suggested that narrative rationale reporting under this field should be voluntary and at the discretion of asset managers, rather than mandatory. Some also proposed allowing signposting or cross-referencing existing disclosures to avoid duplication.
- 2.82** The Group's response: The Group has agreed to include this field in the template as proposed. The Group acknowledged points that some respondents made on the potential additional work required by asset managers to complete several rationale fields. It was decided on balance to reduce the number of rationale fields and to focus on the information which was most decision-useful to asset owners.
- 2.83** **Field Name: Is the vote decision in line with the asset manager's voting policy? (Column N)**
- The Group asked:
- Q16: Do you agree with the proposed approach of including standard data and free text box fields for the field 'is the vote decision in line with voting policy'?**
- 2.84** Most respondents agreed with the Group's proposed approach. Some noted that a free text option allows flexibility for asset managers whose voting policies do not cover every scenario, which is particularly important for smaller asset owners lacking resources to assess voting disclosures.
- 2.85** The free text rationale field was highlighted as providing bespoke explanations, reducing the risk of misinterpreting voting decisions. While standard 'yes' or 'no' data promotes automation and scalability, it may not clarify whether a vote aligns with voting policy due to the flexibility in policies, making Column N less insightful.
- 2.86** Several respondents suggested integrating free text explanations of policy deviations into the Narrative Rationale field (Column M) to avoid repetitive fields that hinder assessment of manager effectiveness. They proposed completing this on an exception basis.
- 2.87** Some respondents suggested limiting this field to a free text box for conscious policy departures, with mandatory explanations if an asset manager deviates from their policy. Responses stating 'no' should include free text to explain why, aiding asset owners' understanding.
- 2.88** It was also suggested that responses should refer to the organisational voting policy, with the option to provide further details on fund level policies in the free text box.
- 2.89** The Group's response: The Group has agreed to remove this field from the template. The Group acknowledged points that some respondents made on the potential additional work required by asset managers to complete several rationale fields. The Group also acknowledged the importance of indicating vote alignment with the manager's voting policy. They recommend including this information in the Narrative Rationale field and the PLSA will issue guidance to this effect.

**2.90 Field Name: Is the vote decision linked to engagement with the issuer? (Column O)**

The Group asked:

**Q17: Do you have any comments on the field 'what type of engagement with the issuer is linked to the vote decision'?**

- 2.91** Respondents supportive of including this field believe it would provide useful context on how voting fits into asset managers' stewardship activities and indicate how voting and engagement policies are applied. This could enable asset owners to make more informed decisions.
- 2.92** Those respondents not supportive argue it requires considerable manual input, risks incentivising superficial engagement, and does not account for differences in voting across funds. Concerns include confidentiality, overlap with existing requirements, potential information overload for asset owners, and the long-term nature of engagement.
- 2.93** Some suggest renaming Column O, applying it to significant votes, or allowing free text reporting.
- 2.94** The Group's response: The Group has agreed to omit this field from the initial template publication but may consider including it in the future.

The Group asked:

**Q18: Do you have any further comments on the proposed fields for the vote reporting template?**

- 2.95** Some respondents reiterated their support for the Group's proposed template and how this could lead to greater transparency and standardisation in the market.
- 2.96** Some suggested the current template may require additional resources to implement without a guaranteed beneficial outcome.
- 2.97** Some respondents suggested the template would benefit from better alignment with DWP regulations for UK occupational pension scheme trustees.
- 2.98** Some respondents argued the Group's template should be mandatory to ensure effectiveness and quality, possibly introduced in phases to incorporate feedback.
- 2.99** Several respondents proposed including a field for asset managers to indicate if a vote is significant, relevant for UK pension schemes under DWP guidance on stewardship.
- 2.100** It was also suggested that the template should capture inconsistencies in voting decisions within an asset manager across different strategies.
- 2.101** The Group's response: The Group acknowledged these comments and considered them in developing the vote reporting template.

This template does not reflect the new template the PLSA will release.

Agreed Vote Reporting Group Template														
	Standard Fields								Vote Category Fields				Vote Rationale Fields	
Column	A	B	C	D	E	F	G	H	I	J	K	L	M	N
Field Name	Name of the issuer	Meeting date	Meeting type	Country of incorporation	Country of trade	Issuer identifier	Resolution identifier	Resolution title	Resolution category	Proponent	Management recommendation	Vote instruction	Narrative rationale	Is the vote decision linked to engagement with the issuer? *To be included at a later stage
Guidance						ISIN	Allow for a variety of standards		Single tier (no hierarchy) Choose up to 5				Required only when vote meets a principle. Should include information like whether or not it was linked to an engagement, whether any other escalation activities were considered. Or whether the vote included a manager overruling the recommendation of its voting policy/ guidelines (as applied).	This column will not be included in the first template launch.
Field data	Free text	UK date format (DD/MM/YYYY)	Standard data <ul style="list-style-type: none"> <li>• Annual General Meeting (AGM)</li> <li>• Extraordinary General Meeting (EGM)</li> <li>• Other General Meeting (OGM)</li> <li>• Special</li> <li>• Court</li> </ul>	Standard data	Standard data	Free text	Free text to allow for a variety of standards	Free text	Standard data <ul style="list-style-type: none"> <li>• Director elections</li> <li>• Audit-related</li> <li>• Investment company matters</li> <li>• Shareholder rights and defences</li> <li>• Extraordinary transactions</li> <li>• Capital structure</li> <li>• Compensation</li> <li>• Corporate Governance</li> <li>• Environment or climate</li> <li>• Human rights or human capital/workforce</li> <li>• Diversity, equity, and inclusion</li> <li>• Other social issues</li> </ul>	Standard data <ul style="list-style-type: none"> <li>• Management</li> <li>• Shareholder</li> </ul>	Standard data <ul style="list-style-type: none"> <li>• For</li> <li>• Against</li> <li>• No recommendation</li> <li>• Other</li> </ul>	Standard data <ul style="list-style-type: none"> <li>• For</li> <li>• Against</li> <li>• Abstain</li> <li>• Withheld</li> <li>• One year</li> <li>• Two years</li> <li>• Three years</li> <li>• Did not vote</li> </ul>	Free text	

<b>Principles for when a rationale is required</b>	
<b>Principles consulted on</b>	<b>Proposed final principles</b>
Vote against or abstain from a company resolution	Vote against or abstain from a company resolution
All shareholder resolutions	All shareholder resolutions
Change of company strategy	
Mergers and acquisitions transactions	Mergers and acquisitions transactions
Pre-emptive offers or other special business	Non-pre-emptive offers or other special business
Company resolutions on environment and social issues	Management resolutions on environment and social issues



## Chapter 3

# Wider aspects of the vote reporting template

- 3.1 The Group proposed and sought feedback on wider aspects of the vote reporting template.

### Frequency of reporting

- 3.2 The Group proposed the template adopts at least a quarterly vote reporting frequency. This frequency is expected to be achievable for asset managers and would be beneficial to asset owners, acknowledging that pension funds must report at set frequencies.

The Group asked:

**Q19: Do you agree the vote reporting template should adopt a quarterly vote reporting frequency?**

**Q20: Do you have any further comments on the frequency of vote reporting for the vote reporting template?**

- 3.3 Most respondents agreed the template should adopt at least a quarterly vote reporting frequency.
- 3.4 Some respondents suggested while quarterly reporting should be a minimum requirement, best practice disclosure would be on a monthly or real time basis.
- 3.5 Some respondents reiterated how a standardised template could assist firms and wider Groups across the investment chain, such as proxy advisors, in managing time pressures in terms of their vote reporting.
- 3.6 Several respondents highlighted the template's guidance should not state how quickly after the quarter-end the voting data should be disclosed. This is because asset managers may struggle disclosing votes on a set timeframe particularly during the annual general meeting season.
- 3.7 It was noted some asset managers will need to consider changes to their vote reporting procedures and internal systems to adapt to this new reporting cycle frequency.
- 3.8 The Group's response: The Group has agreed quarterly reporting should be the minimum frequency required under the template.

## Client-led voting (or split voting) and assets under management of asset manager-directed voting

- 3.9** The Group proposed the template provides disclosure on the voting decisions that are within the asset manager's control. However, as client-led voting uptake expands, the Assets Under Management (AUM) that asset managers can direct will likely fall – meaning that vote reporting will not necessarily relate to all the AUM within a given fund.
- 3.10** There may be a case to include in the template an indication as to whether the vote in question was directed by the client. The Group did not propose this but welcomed feedback from respondents on whether this should be considered at a later stage.

The Group asked:

**Q21: Do you have any comments on how client-led voting should be reflected in the vote reporting template?**

**Q22: Do you have other views on how the Group seeks to address the development of client-led voting?**

- 3.11** As CLV becomes more common, several respondents highlighted the need to keep the template under review and potentially amend it to include CLV.
- 3.12** It was noted that some asset managers offer clients a choice of voting policies, which differs from CLV as clients only select broad voting principles and do not direct or know how individual votes are cast. If the asset manager only completes the template for its standard voting policy, clients who have chosen a different policy will not receive the necessary information to meet their reporting requirements. Therefore, it is important for managers to provide relevant voting information in some format.
- 3.13** Some respondents suggested that asset managers should complete the template for each voting policy used for funds, clearly indicating the version used and what proportion of votes in the fund have been cast according to each policy. An alternative option could be to incorporate these disclosures under the field 'is vote decision in line with the asset manager's voting policy?' (Column N) in the future.
- 3.14** Some respondents noted that CLV is a new concept that will evolve as voting expectations change. They encouraged the Group to remain attentive to these developments as the template evolves. However, they emphasised that CLV should not affect most of the template and should not hinder its rollout.
- 3.15** The Group's response: The Group considered the further comments raised by respondents and agreed CLV should not be included in the template now, but it would be kept under review for future iterations of the template as the uptake CLV increases as expected in the marketplace.

## Pre-disclosure voting intentions

- 3.16** The Group acknowledged developments with the pre-disclosure of voting intentions but considered it to be outside the scope of its work. Accordingly, the Group is not proposing to include an indicator as to whether the manager's voting intention had been pre-disclosed.

The Group asked:

**Q23: Do you agree with the approach to pre-disclosed voting intentions?**

**Q24: Do you have any further comments on the approach to pre-disclosed voting intentions?**

- 3.17** Most respondents agreed with the Group's proposed approach of pre-disclosed voting intentions being out of scope of the Group's work. However, some respondents felt the Group should include the pre-disclosure of voting intentions as part of the template.
- 3.18** Some respondents highlighted practical challenges for asset managers in pre-disclosing voting intentions, such as decisions being made close to voting deadlines due to last-minute engagements with investee companies.
- 3.19** Potential operational challenges were also noted, requiring efficient coordination with different parties within tight time frames.
- 3.20** Some respondents mentioned that asset managers' approaches to pre-disclosing votes depend on their stewardship policies and client agreements, making implementation difficult. A few suggested introducing pre-disclosure of voting intentions in a phased manner in the future.
- 3.21** Some respondents believed the template would be strengthened by including a voluntary yes or no indicator on pre-disclosed voting intentions, particularly for votes requiring a rationale.
- 3.22** Some respondents suggested that public pre-disclosure of Environmental, Social and Governance (ESG)-related votes and rationales could draw market attention to inadequate ESG practices.
- 3.23** Some respondent's suggested template users could voluntarily include if they have publicly pre-disclosed voting intentions in the field 'is the vote decision linked to engagement with the issuer?' (Column O) particularly if pre-disclosure of a vote is linked to an engagement escalation strategy.
- 3.24** The Group's response: The Group has agreed not to include the pre-disclosure of voting intentions as part of its work as originally proposed in the consultation.

## Ownership of the vote reporting template

- 3.25** The Group considered the options on the ownership of the vote reporting template and proposed it would be most effective if it was owned by industry.

The Group asked:

**Q25: Do you have any comments on the ownership of the vote reporting template?**

- 3.26** There were three main suggestions on the ownership model of the template: industry ownership, industry ownership with regulatory support, and regulatory ownership.
- 3.27** Many respondents suggested the template would be most effective if owned by the industry, either an existing industry Group or organisation, such as the PLSA, or a Group of firms and/or trade bodies. Many respondents shared their views on the importance of including asset owners or their representatives in the ownership of the template.
- 3.28** Some respondents suggested the template would be most effective if owned by industry with support from the financial regulators.
- 3.29** Some respondents suggested the financial regulators should continue to be involved in some capacity to incentivise uptake.
- 3.30** Some respondents suggested the financial regulators should own the template. There were also calls for the template to be mandatory.
- 3.31** The Group's response: The Group has agreed for the PLSA to own and manage the vote reporting template. The FCA has been clear from the outset that the remit of the Group is to develop an industry-led voluntary solution.

## Oversight of implementation and future development

- 3.32** The Group proposed to establish an independent oversight body to ensure successful implementation of the vote reporting template.
- 3.33** This body would oversee any future changes and ensure they are appropriate and in line with the objectives of the template and the terms and conditions of the contract. The body would oversee actions taken by the ownership bodies of the template and of the hosting technology.

The Group asked:

**Q26: Do you have any comments on how the oversight body could be established, the responsibilities of the body, and which organisations should be part of it?**

- 3.34** There was recognition that establishing a body will require careful consideration to ensure effectiveness, impartiality, and credibility.
- 3.35** Several respondents highlighted the importance of the oversight body being diverse, representative of the industry and encompassing a range of expertise and views.
- 3.36** Some respondents suggested the oversight body should operate under a clear mandate including a conflict-of-interest process, particularly if it will include non-affiliated (individual) members.
- 3.37** Other respondents suggested that the oversight body should operate with full transparency, making its decisions and processes accessible to the public.
- 3.38** Some respondents suggested the financial regulators should be represented on the oversight body, for example, by providing the secretariat.
- 3.39** Some respondents suggested the regulators should be utilised as the oversight body rather than creating a new body. The Group could continue to represent the industry viewpoints on vote reporting with the ownership of the template sitting with the regulators.
- 3.40** Some respondents suggested that an oversight body should not be created. Instead, a single body could be responsible for the ownership and oversight of the framework rather than two bodies.
- 3.41** The Group's response: The Group has agreed to not recommend or create a separate oversight body given the template will be owned by PLSA.

## Public Registry

- 3.42** The Group considered the storage and dissemination of vote reporting data and the funding structures of a public registry. The Group aimed to continue its discussion and seek comments on and what the associated ownership and funding arrangements could be.
- 3.43** Some Group members, particularly asset owners, strongly supported the template being an online public registry of asset managers vote. Whereas some members considered publicly accessible vote disclosures may add to the costs for asset managers due to internal compliance considerations.
- 3.44** The Group acknowledged the responses to the discussion part of the consultation paper, which were not in favour of establishing a public registry. Therefore, the Group has agreed to not establish a public registry at this time. Instead, the Group will focus on the delivery of the vote reporting template. Once the template is operational and firms are using it to disclose votes, the Group may reconsider the case for a public registry.

The Group asked:

**Q27: Do you think that the vote reporting template should be publicly accessible?**

**Q28: Do you have any comments on whether the template should or should not be publicly accessible?**

- 3.45** Many respondents were supportive of the template being an online central public registry. They highlighted how having completed templates publicly available would improve the efficiency of data collection, reduce the burden and cost on asset managers of resourcing multiple information requests, and would enhance the transparency of asset manager voting activity.
- 3.46** Some respondents raised concerns that implementing a public registry could result in additional costs, potentially hampering the adoption of the template in the short term. Increased legal and compliance costs for disclosure under the Vote Rationale Fields might lead to higher rates charged by asset managers to their clients. Some respondents also suggested that the registry might not reduce ad-hoc reporting requests to asset managers.
- 3.47** Some respondents wanted the Group to undertake a cost-benefit analysis to evaluate the benefits and limitations of designing and implementing the public registry.
- 3.48** Many respondents acknowledged that setting up and maintaining a public registry would incur upfront costs. However, some felt it was necessary in the long run.

## **Ownership of the public registry**

- 3.49** The Group proposed the ownership body would be responsible for the design, development and implementation of a public registry. It would also be responsible for its maintenance and updates. The Group made proposals on what the responsibilities of the ownership body could include.

The Group asked:

**Q29: Do you have any comments on the ownership of the public registry?**

- 3.50** There were diverse opinions on the most suitable organisation to own a public registry. Several respondents suggested that ownership of a public registry should be separate from the template due to the technical expertise required for maintenance. Some suggested that an independent body should develop the public registry, own, and future-proof the template, with support from an independent developer.
- 3.51** Others proposed that the public registry should be managed by an industry body, free from specific commercial interests, and include representation from asset owners and civil society members.
- 3.52** Some respondents recommended that the financial regulators should establish and maintain the public registry, similar to the SEC.
- 3.53** Some respondents suggested that the oversight body should be responsible for the public registry.

- 3.54** The Group's response: The Group has agreed to not establish a public registry at this time. Instead, the Group will focus on the delivery of the vote reporting template. Once the template is operational and firms are using it to disclose votes, the Group may reconsider the case for a public registry. Should the Group do this, considerations around ownership will be taken into account.

## Funding of the public registry

- 3.55** The Group had discussions about the funding aspects of a registry, noting its development is forecast to include initial upfront investment, ongoing development and maintenance costs. The Group had a range of different views on the funding. The Group did not have an estimation of costs for the development and running of a public registry but recognised these will require careful consideration.

The Group asked:

**Q30: Do you have any comments on the funding of the public registry?**

- 3.56** Some respondents suggested a levy approach, where costs are borne proportionally by key user Groups, structured as an extension of existing industry levies to minimise administrative burden and ensure industry-wide support.
- 3.57** It was suggested by some respondents that the financial regulators should take ownership of the registry and consider financing it through existing regulatory funding.
- 3.58** Other respondents feedback focused on the principle of developing a public registry, and the need to be mindful of the cost-benefit. They emphasised further research is needed before progressing a public registry.
- 3.59** The Group's response: The Group has agreed to not establish a public registry at this time. Instead, the Group will focus on the delivery of the vote reporting template. Once the template is operational and firms are using it to disclose votes, the Group may reconsider the case for a public registry. Should the Group do this, considerations around cost will be taken into account.

## Further comments on the consultation and discussion paper

The Group asked:

**Q31: Do you have any further comments on the proposals laid out in this consultation?**

- 3.60** Some respondents reiterated their support for the need of a standardised vote reporting approach across the industry, suggesting the proposed template is a positive step towards achieving this.

- 3.61** Some respondents noted that while standardisation is desirable, it should be balanced against the time and resources spent by asset managers, considering the opportunity cost to clients and the expectation for this reporting from asset owners.
- 3.62** Some respondents emphasised the importance of not duplicating existing disclosure frameworks. Some suggested it could replace other voluntary frameworks to reduce the reporting burden and achieve standardisation.
- 3.63** There was support for including a 'significant vote' column, though the lack of a standardised definition of 'most significant' votes was seen as a barrier.
- 3.64** Some respondents suggested service providers might pass additional costs to clients, with ongoing service fees being a sustained cost. Initial costs for developing and embedding a new product were also recognised.
- 3.65** Some respondents suggested prioritising fund or mandate level data initially, with firm level vote reporting considered in future iterations.
- 3.66** A phased implementation was recommended to allow adequate preparation time for internal systems.
- 3.67** Global alignment was supported, with a minimum mandatory standard that aligns with similar global standards to increase the volume of publicly reported votes.
- 3.68** The Group's response: The Group acknowledged these comments and considered them in developing the vote reporting template.



## Annex 1

# List of Vote Reporting Group members

In May 2024, the Group's membership was adjusted to better align with the requirements for delivering the template.

The list below includes those organisations that have been a member of the Group at any stage during the template's development.

Association of Member Nominated Trustees

BlackRock

Border to Coast Pensions Partnership

GC100

Independent Advisor

Institutional Shareholders Services

Investment Association

Investor Forum

JP Morgan Asset Management

Lane Clarke Peacock

Legal and General Investment Management

Local Authority Pension Fund Forum

Local Pensions Partnership Investments

Minerva Analytics

NEST Pensions

Newton Investment Management

Pension Protection Fund

Pensions & Investment Research Consultants Ltd

Pensions and Lifetime Savings Association

Phoenix Group

Principles for Responsible Investment

Railpen

Royal London Asset Management

Scottish Widows

ShareAction

State Street

The Chartered Governance Institute

The Chartered Governance Institute Registrars' Group

The People's Partnership

Tumelo

UK Sustainable Investment and Finance Association

Observers

Department for Work and Pensions

Financial Conduct Authority

Financial Reporting Council

The Pensions Regulator

## Annex 2

# Abbreviations used in this paper

Abbreviation	Description
AUM	Assets Under Management
CLV	Client-led Voting
DWP	Department for Work and Pensions
ESG	Environmental, Social and Governance
FCA	Financial Conduct Authority
IA	Investment Association
ISIN	International Securities Identification Numbering
PLSA	Pensions and Life Savings Association
SEC	Securities and Exchange Commission
VRG	Vote Reporting Group

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