

VOTING POLICY



We introduced our own customised voting policy in the first quarter of 2014, run in parallel with ISS's policy. The majority of areas in which our policy differs from that of ISS are within the smaller company sector, in which we are a leading participant, and relates to capital raising with pre-emptive shareholder rights; these are by their nature often associated with smaller companies. It is not inconceivable that we will make exceptions and vote against our own policy; as with all our voting, we proceed on a case by case basis.

We regard a smaller company as having a market capitalisation of £1.5bn or less.

Below are the specifics of the policy:

Agenda Type	ISS policy	Majedie Policy
Smaller Company Board Structure	Where Non-Executive Directors (NEDs) are members of internal boards, or where members of the board sit on more than one internal committee, this is regarded as being against best practice, and therefore the recommendation is to vote against such proposals.	Give smaller companies greater flexibility in the composition of their boards for practical reasons, given personnel limitations, unless we take issue with one of the board members.
Issuances with Pre-emptive Rights	Proposals of greater than 33% of Issued Share Capital are against best practice and therefore the recommendation is to vote against.	As shareholders we will be given the right to take up the issuance, and therefore will not be diluted. We therefore vote for such proposals.
Issuances without Pre-emptive Rights	Proposals of greater than 10% of Issued Share Capital are against best practice and therefore the recommendation is to vote against.	Vote in line with ISS as such issuances are potentially dilutive for shareholders.
Political Contributions	Vote for.	Vote against. We like to maintain an independent stance.

VOTING SUMMARY

Please see below a breakdown of the meetings and resolutions which pertain to your portfolio.

SUMMARY	VOTES	PERCENT
Number of meetings voted at this period	26	
Number of resolutions	186	
Where we voted in line with Management	181	97.3
Where we have not voted in line with Management	5	2.7
Where we have voted against ISS's recommendation	12	6.5

Source: Majedie, ISS (Institutional Shareholder Services)

The table below is a breakdown of the number of resolutions where we have either voted against Management or against the recommendation of ISS.

CATEGORY	AGAINST MANAGEMENT	AGAINST ISS	AGAINST POLICY
Board election & related proposals	0	2	1
Capitalisation	0	5	4
Miscellaneous	0	0	0
Remuneration	2	2	4
Reorg. and Mergers	0	0	0
Routine/Business	3	3	0
Total	5	12	9

Sources: Majedie, ISS (Institutional Shareholder Services)

VOTING BREAKDOWN

SECURITY NAME	MEETING DATE	MEETING TYPE	MAJEDIE VOTE	IN LINE WITH ISS
BERKELEY ENERGIA*	14 Dec 2016	EGM	Voted for all	No
BERKELEY ENERGIA*	22 Nov 2016	AGM	Voted for all	No
BHP BILLITON	20 Oct 2016	AGM	Voted for all	Yes
CHARLEMAGNE CAPITAL	02 Dec 2016	Court	Voted for all	Yes
CHARLES STANLEY GROUP	21 Dec 2016	EGM	Voted for all	Yes
COMMUNISIS	09 Nov 2016	EGM	Voted for all	Yes
CRESTON	16 Dec 2016	EGM	Voted for all	Yes
CRESTON	16 Dec 2016	Court	Voted for all	Yes
DIAMONDCORP*	16 Nov 2016	EGM	Voted for all	No
DOLPHIN CAPITAL INVESTORS*	19 Dec 2016	EGM	Against Resolution 1	Yes
DUNELM	22 Nov 2016	AGM	Voted for all	Yes
GRESHAM COMPUTING	17 Nov 2016	EGM	Voted for all	Yes
HAYS*	09 Nov 2016	AGM	Against Resolution 15	No
HOTEL CHOCOLAT	01 Dec 2016	AGM	Voted for all	Yes
MP EVANS	23 Dec 2016	EGM	Voted for all	Yes
NORSEMAN GOLD	30 Dec 2016	AGM	Voted for all	Yes
OPG POWER VENTURE*	14 Nov 2016	AGM	Voted for all	No
PLUS500*	15 Dec 2016	EGM	Against Resolutions 1, 2	Yes
RANK GROUP*	14 Oct 2016	AGM	Against Resolution 15	No
RPS GROUP	30 Nov 2016	EGM	Voted for all	Yes
SHANKS GROUP	24 Oct 2016	EGM	Voted for all	Yes
SPEYMILL DEUTSCHE	21 Dec 2016	AGM	Voted for all	Yes
SYLVANIA PLATINUM	18 Nov 2016	AGM	Voted for all	Yes
VERNALIS	01 Dec 2016	AGM	Voted for all	Yes
VOLUTION*	09 Dec 2016	AGM	Against Resolution 13	No
YOUGOV	07 Dec 2016	AGM	Voted for all	Yes

Source : ISS (Institutional Shareholder Services)

VOTING NOTES

- Berkeley Energia, AGM: On Resolution 1, the Fund Manager considered the ISS research and concluded that management are well paid for leading major change. We are supportive of what is a transformative strategy and are also keen to allow small companies more flexibility. On Resolution 2, the Fund Manager considered the ISS research and concluded that this director is not on too many boards, as his other responsibilities are on a much smaller scale, the listed responsibilities are for limited companies not public limited companies and to some extent are complementary. On Resolution 4, this issuance is below the criteria ISS set and within our tolerance for share issuance, therefore we chose to vote with management and against ISS.
- Berkeley Energia, EGM: On Resolutions 2 and 3, we voted for the item (share issuance). ISS recommended a vote against, however we considered that the company was prudently issuing shares to advance their first project through to production. We had clear evidence the Board respected shareholders' pre-emptive rights.
- DiamondCorp, EGM: ISS recommended a vote on Resolutions 4 and 5 against the issue of equity with pre-emptive rights, as the amount proposed (41.78%) exceeded the recommended amount (33%). We chose to vote in favour as we retain our shareholder rights should the issuance take place.
- Dolphin Capital Investors, EGM: We voted against Item 1 and in favour of Item 2 which permitted amendments to the distribution policy and amendments to the investment management agreement.
- Hays, AGM: On Resolution 15, Majedie voted against political donations and expenditure in line with our usual policy.
- OPG Power Ventures, AGM: On Resolution 4, although Arvind Gupta holds both the offices of CEO and Chairman, he is critical to the success of the company and we are supportive of the company's strategy. Therefore, we do not wish to vote against his appointment or convey less support than we actually have by an abstention. We do discuss with our smaller companies the need to separate these roles as the business develops and matures, as a matter of routine governance engagement.
- PLUS500, EGM: On resolution 1, relating to the CEO's employment agreement, and resolution 2, relating to the CFO's employment agreement, we note the company's explanation of the change in terms of employment but consider they should have been amended on appointment, not subsequently. We also agree with ISS's view that the vesting period is not in line with best practice as it is too short at under three years.
- The Rank Group, AGM: On Resolution 2, we considered that the salary level for the CEO was fair, as it was the lowest of the peer group. The disclosure of the bonus could have been improved and we resolved to feed this back, but in itself it was acceptable. The block awards again were sensible but were to be reviewed by the company. The bonus for Henry Birch was not out of line. There was scope to improve, but it was not so marked as to justify voting against. Therefore, we voted against ISS's recommendation and in favour.
- Volution Group, AGM: On Resolution 13, Majedie voted against political donations and expenditure in line with our usual policy.



Vote Summary Report

Date range covered: 10/01/2016 to 12/31/2016

Location(s): Massachusetts Financial Services

Institution Account(s): MFS Investment Fund - Global Equity Fund

Sky plc

Meeting Date: 10/13/2016	Country: United Kingdom	Primary Security ID: G8212B105	Meeting ID: 1089073
Record Date: 10/11/2016	Meeting Type: Annual	Ticker: SKY	
Primary CUSIP: G15632105	Primary ISIN: GB0001411924	Primary SEDOL: 0141192	

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1	Accept Financial Statements and Statutory Reports	Mgmt	For	For
2	Approve Final Dividend	Mgmt	For	For
3	Approve Remuneration Report	Mgmt	For	For
4	Re-elect Jeremy Darroch as Director	Mgmt	For	For
5	Re-elect Andrew Griffith as Director	Mgmt	For	For
6	Re-elect Tracy Clarke as Director	Mgmt	For	For
7	Re-elect Martin Gilbert as Director	Mgmt	For	For
8	Re-elect Adine Grate as Director	Mgmt	For	For
9	Re-elect Matthieu Pigasse as Director	Mgmt	For	For
10	Re-elect Andy Sukawaty as Director	Mgmt	For	For
11	Re-elect James Murdoch as Director	Mgmt	For	Against
12	Re-elect Chase Carey as Director	Mgmt	For	For
13	Elect John Nallen as Director	Mgmt	For	For
14	Reappoint Deloitte LLP as Auditors and Authorise Their Remuneration	Mgmt	For	For
15	Authorise EU Political Donations and Expenditure	Mgmt	For	For
16	Authorise Issue of Equity with Pre-emptive Rights	Mgmt	For	For
17	Authorise Issue of Equity without Pre-emptive Rights	Mgmt	For	For
18	Authorise Issue of Equity without Pre-emptive Rights	Mgmt	For	For
19	Authorise the Company to Call General Meeting with Two Weeks' Notice	Mgmt	For	For

Vote Summary Report

Date range covered: 10/01/2016 to 12/31/2016

Location(s): Massachusetts Financial Services

Institution Account(s): MFS Investment Fund - Global Equity Fund

St. Jude Medical, Inc.

Meeting Date: 10/26/2016

Country: USA

Primary Security ID: 790849103

Meeting ID: 1091707

Record Date: 09/16/2016

Meeting Type: Annual

Ticker: STJ

Primary CUSIP: 790849103

Primary ISIN: US7908491035

Primary SEDOL: 2767381

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1	Approve Merger Agreement	Mgmt	For	For
2	Advisory Vote on Golden Parachutes	Mgmt	For	Against
3a	Elect Director Stuart M. Essig	Mgmt	For	For
3b	Elect Director Barbara B. Hill	Mgmt	For	For
3c	Elect Director Michael A. Rocca	Mgmt	For	For
4	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	Against
5	Approve Omnibus Stock Plan	Mgmt	For	For
6	Declassify the Board of Directors	Mgmt	For	For
7	Provide Proxy Access Right	Mgmt	For	For
8	Ratify Ernst & Young LLP as Auditors	Mgmt	For	For
9	Adjourn Meeting	Mgmt	For	For
10	Reduce Supermajority Vote Requirement	SH	Against	For

Samsung Electronics Co. Ltd.

Meeting Date: 10/27/2016

Country: South Korea

Primary Security ID: Y74718100

Meeting ID: 1089608

Record Date: 09/28/2016

Meeting Type: Special

Ticker: A005930

Primary CUSIP: Y74718100

Primary ISIN: KR7005930003

Primary SEDOL: 6771720

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1	Approve Spin-Off Agreement	Mgmt	For	For
2	Elect Lee Jae-yong as Inside Director	Mgmt	For	For

Vote Summary Report

Date range covered: 10/01/2016 to 12/31/2016

Location(s): Massachusetts Financial Services

Institution Account(s): MFS Investment Fund - Global Equity Fund

Oracle Corporation

Meeting Date: 11/16/2016	Country: USA	Primary Security ID: 68389X105	Meeting ID: 1091434
Record Date: 09/19/2016	Meeting Type: Annual	Ticker: ORCL	
Primary CUSIP: 68389X105	Primary ISIN: US68389X1054	Primary SEDOL: 2661568	

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1.1	Elect Director Jeffrey S. Berg	Mgmt	For	For
1.2	Elect Director H. Raymond Bingham	Mgmt	For	Withhold
1.3	Elect Director Michael J. Boskin	Mgmt	For	For
1.4	Elect Director Safra A. Catz	Mgmt	For	For
1.5	Elect Director Bruce R. Chizen	Mgmt	For	For
1.6	Elect Director George H. Conrades	Mgmt	For	Withhold
1.7	Elect Director Lawrence J. Ellison	Mgmt	For	For
1.8	Elect Director Hector Garcia-Molina	Mgmt	For	For
1.9	Elect Director Jeffrey O. Henley	Mgmt	For	For
1.10	Elect Director Mark V. Hurd	Mgmt	For	For
1.11	Elect Director Renee J. James	Mgmt	For	For
1.12	Elect Director Leon E. Panetta	Mgmt	For	For
1.13	Elect Director Naomi O. Seligman	Mgmt	For	Withhold
2	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	Against
3	Ratify Ernst & Young LLP as Auditors	Mgmt	For	For
4	Report on Lobbying Payments and Policy	SH	Against	For

Pernod Ricard

Meeting Date: 11/17/2016	Country: France	Primary Security ID: F72027109	Meeting ID: 1092498
Record Date: 11/14/2016	Meeting Type: Annual/Special	Ticker: RI	
Primary CUSIP: F72027109	Primary ISIN: FR0000120693	Primary SEDOL: 4682329	

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
	Ordinary Business	Mgmt		

Vote Summary Report

Date range covered: 10/01/2016 to 12/31/2016

Location(s): Massachusetts Financial Services

Institution Account(s): MFS Investment Fund - Global Equity Fund

Pernod Ricard

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1	Approve Financial Statements and Statutory Reports	Mgmt	For	For
2	Approve Consolidated Financial Statements and Statutory Reports	Mgmt	For	For
3	Approve Allocation of Income and Dividends of EUR 1.88 per Share	Mgmt	For	For
4	Approve Auditors' Special Report on Related-Party Transactions	Mgmt	For	For
5	Approve Termination Package of Alexandre Ricard	Mgmt	For	For
6	Reelect Alexandre Ricard as Director	Mgmt	For	For
7	Reelect Pierre Pringuet as Director	Mgmt	For	For
8	Reelect Cesar Giron as Director	Mgmt	For	For
9	Reelect Wolfgang Colberg as Director	Mgmt	For	For
10	Ratify Appointment of Anne Lange as Director	Mgmt	For	For
11	Appoint KPMG as Auditor	Mgmt	For	For
12	Appoint Salustro Reydel as Alternate Auditor	Mgmt	For	For
13	Approve Remuneration of Directors in the Aggregate Amount of EUR 970,000	Mgmt	For	For
14	Advisory Vote on Compensation of CEO, Alexandre Ricard	Mgmt	For	For
15	Authorize Repurchase of Up to 10 Percent of Issued Share Capital	Mgmt	For	For
	Extraordinary Business	Mgmt		
16	Approve Restricted Stock Grants to Executives Partially Compensating Losses under the Previous Benefit Pension Scheme	Mgmt	For	For
17	Authorize Capital Issuances for Use in Employee Stock Purchase Plans	Mgmt	For	For
18	Authorize Filing of Required Documents/Other Formalities	Mgmt	For	For

Medtronic plc

Meeting Date: 12/09/2016

Country: Ireland

Primary Security ID: G5960L103

Meeting ID: 1082969

Record Date: 10/11/2016

Meeting Type: Annual

Ticker: MDT

Primary CUSIP: 585055106

Primary ISIN: IE008TN1Y115

Primary SEDOL: BTN1Y11

Vote Summary Report

Date range covered: 10/01/2016 to 12/31/2016

Location(s): Massachusetts Financial Services

Institution Account(s): MFS Investment Fund - Global Equity Fund

Medtronic plc

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1a	Elect Director Richard H. Anderson	Mgmt	For	For
1b	Elect Director Craig Arnold	Mgmt	For	For
1c	Elect Director Scott C. Donnelly	Mgmt	For	For
1d	Elect Director Randall J. Hogan, III	Mgmt	For	For
1e	Elect Director Omar Ishrak	Mgmt	For	For
1f	Elect Director Shirley Ann Jackson	Mgmt	For	For
1g	Elect Director Michael O. Leavitt	Mgmt	For	For
1h	Elect Director James T. Lenehan	Mgmt	For	For
1i	Elect Director Elizabeth G. Nabel	Mgmt	For	For
1j	Elect Director Denise M. O'Leary	Mgmt	For	For
1k	Elect Director Kendall J. Powell	Mgmt	For	For
1l	Elect Director Robert C. Pozen	Mgmt	For	For
1m	Elect Director Preetha Reddy	Mgmt	For	For
2	Ratify PricewaterhouseCoopers LLP as Auditors	Mgmt	For	For
3	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	For
4	Provide Proxy Access Right	Mgmt	For	For
5a	Amend Articles of Association	Mgmt	For	For
5b	Amend Memorandum of Association	Mgmt	For	For
6	Amend Articles to Clarify the Board's Sole Authority to Determine its Size Within the Fixed Limits	Mgmt	For	For

Cisco Systems, Inc.

Meeting Date: 12/12/2016

Country: USA

Primary Security ID: 17275R102

Meeting ID: 1096868

Record Date: 10/14/2016

Meeting Type: Annual

Ticker: CSCO

Primary CUSIP: 17275R102

Primary ISIN: US17275R1023

Primary SEDOL: 2198163

Vote Summary Report

Date range covered: 10/01/2016 to 12/31/2016

Location(s): Massachusetts Financial Services

Institution Account(s): MFS Investment Fund - Global Equity Fund

Cisco Systems, Inc.

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1a	Elect Director Carol A. Bartz	Mgmt	For	For
1b	Elect Director M. Michele Burns	Mgmt	For	For
1c	Elect Director Michael D. Capellas	Mgmt	For	Against
1d	Elect Director John T. Chambers	Mgmt	For	For
1e	Elect Director Amy L. Chang	Mgmt	For	For
1f	Elect Director John L. Hennessy	Mgmt	For	For
1g	Elect Director Kristina M. Johnson	Mgmt	For	For
1h	Elect Director Roderick C. McGeary	Mgmt	For	For
1i	Elect Director Charles H. Robbins	Mgmt	For	For
1j	Elect Director Arun Sarin	Mgmt	For	For
1k	Elect Director Steven M. West	Mgmt	For	For
2	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	For
3	Ratify PricewaterhouseCoopers LLP as Auditors	Mgmt	For	For
4	Report on Lobbying Payments and Policy	SH	Against	For
5	Report on Arab and non-Arab Employees using EEO-1 Categories	SH	Against	Against
6	Establish Board Committee on Operations in Israeli Settlements	SH	Against	Against

Monsanto Company

Meeting Date: 12/13/2016

Country: USA

Primary Security ID: 61166W101

Meeting ID: 1100674

Record Date: 11/07/2016

Meeting Type: Special

Ticker: MON

Primary CUSIP: 61166W101

Primary ISIN: US61166W1018

Primary SEDOL: 2654320

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1	Approve Merger Agreement	Mgmt	For	For
2	Advisory Vote on Golden Parachutes	Mgmt	For	For

Vote Summary Report

Date range covered: 10/01/2016 to 12/31/2016

Location(s): Massachusetts Financial Services

Institution Account(s): MFS Investment Fund - Global Equity Fund

Monsanto Company

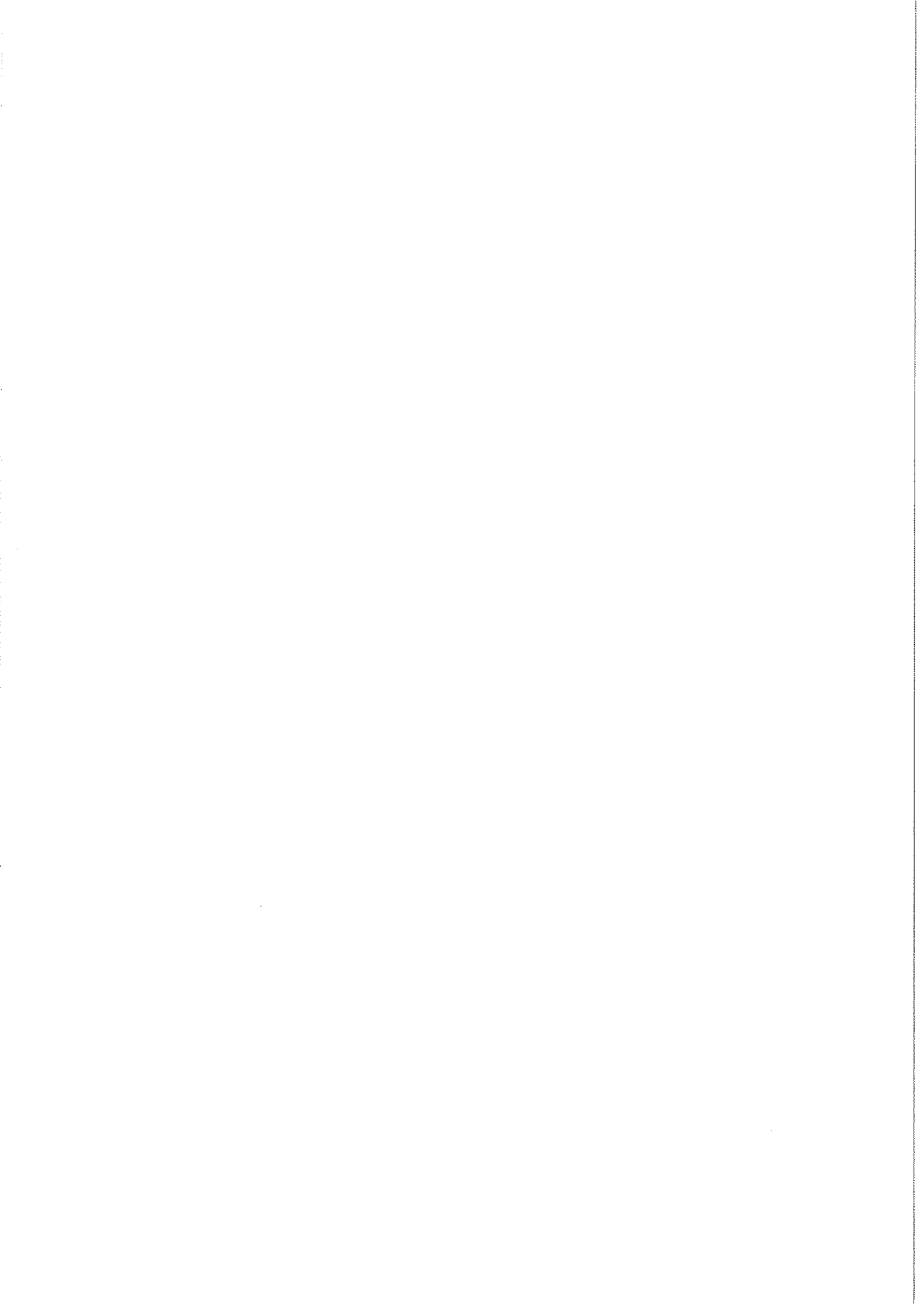
Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
3	Adjourn Meeting	Mgmt	For	For

AutoZone, Inc.

Meeting Date: 12/14/2016	Country: USA	Primary Security ID: 053332102	Meeting ID: 1096867
Record Date: 10/17/2016	Meeting Type: Annual	Ticker: AZO	
Primary CUSIP: 053332102	Primary ISIN: US0533321024	Primary SEDOL: 2065955	

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1.1	Elect Director Douglas H. Brooks	Mgmt	For	For
1.2	Elect Director Linda A. Goodspeed	Mgmt	For	For
1.3	Elect Director Sue E. Gove	Mgmt	For	For
1.4	Elect Director Earl G. Graves, Jr.	Mgmt	For	For
1.5	Elect Director Enderson Guimaraes	Mgmt	For	For
1.6	Elect Director J. R. Hyde, III	Mgmt	For	For
1.7	Elect Director D. Bryan Jordan	Mgmt	For	For
1.8	Elect Director W. Andrew McKenna	Mgmt	For	For
1.9	Elect Director George R. Mrkonjic, Jr.	Mgmt	For	For
1.10	Elect Director Luis P. Nieto	Mgmt	For	For
1.11	Elect Director William C. Rhodes, III	Mgmt	For	For
2	Ratify Ernst & Young LLP as Auditors	Mgmt	For	For
3	Amend Nonqualified Employee Stock Purchase Plan	Mgmt	For	For
4	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	For



Vote Summary Report

Date range covered : 10/01/2016 to 12/31/2016

Institution Account(s): Investec Funds Series III - Global Dynamic

Lam Research Corporation

Meeting Date: 11/09/2016

Country: USA

Meeting Type: Annual

Ticker: LRCX

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
1.1	Elect Director Martin B. Anstice	Mgmt	For	For	For	For
1.2	Elect Director Eric K. Brandt	Mgmt	For	For	For	For
1.3	Elect Director Michael R. Cannon	Mgmt	For	For	For	For
1.4	Elect Director Youssef A. El-Mansy	Mgmt	For	For	For	For
1.5	Elect Director Christine A. Heckart	Mgmt	For	For	For	For
1.6	Elect Director Catherine P. Lego	Mgmt	For	For	For	For
1.7	Elect Director Stephen G. Newberry	Mgmt	For	For	For	For
1.8	Elect Director Abhijit Y. Talwalkar	Mgmt	For	For	For	For
1.9	Elect Director Lih Shyng (Rick L.) Tsai	Mgmt	For	For	For	For
2.10	Elect Director John T. Dickson - Withdrawn Resolution	Mgmt				
2.11	Elect Director Gary B. Moore - Withdrawn Resolution	Mgmt				
3	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	For	For	For
4	Ratify Ernst & Young LLP as Auditors	Mgmt	For	For	For	For

Lukoil PJSC

Meeting Date: 12/05/2016

Country: Russia

Meeting Type: Special

Ticker: LKOH



Vote Summary Report

Date range covered : 10/01/2016 to 12/31/2016

Institution Account(s): Investec Funds Series iii - Global Dynamic

Lukoil PJSC

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
Meeting for ADR Holders						
1	Approve Interim Dividends for First Nine Months of Fiscal 2016	Mgmt	For	For	For	For
2	Approve Remuneration of Directors	Mgmt	For	For	For	For

Medtronic plc

Meeting Date: 12/09/2016

Country: Ireland

Meeting Type: Annual

Ticker: MDT

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
1a	Elect Director Richard H. Anderson	Mgmt	For	For	For	For
1b	Elect Director Craig Arnold	Mgmt	For	For	For	For
1c	Elect Director Scott C. Donnelly	Mgmt	For	For	For	For
1d	Elect Director Randall J. Hogan, III	Mgmt	For	For	For	For
1e	Elect Director Omar Ishrak	Mgmt	For	For	For	For
1f	Elect Director Shirley Ann Jackson	Mgmt	For	For	Refer	For
1g	Elect Director Michael O. Leavitt	Mgmt	For	For	For	For
1h	Elect Director James T. Lenehan	Mgmt	For	For	For	For

Vote Summary Report

Date range covered : 10/01/2016 to 12/31/2016

Institution Account(s): Investec Funds Series iii - Global Dynamic

Medtronic plc

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
1i	Elect Director Elizabeth G. Nabel	Mgmt	For	For	For	For
1j	Elect Director Denise M. O'Leary	Mgmt	For	For	For	For
1k	Elect Director Kendall J. Powell	Mgmt	For	For	For	For
1l	Elect Director Robert C. Pozen	Mgmt	For	For	Refer	For
1m	Elect Director Preetha Reddy	Mgmt	For	For	For	For
2	Ratify PricewaterhouseCoopers LLP as Auditors	Mgmt	For	For	For	For
3	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	For	For	For
4	Provide Proxy Access Right	Mgmt	For	For	For	For
5a	Amend Articles of Association	Mgmt	For	For	For	For
5b	Amend Memorandum of Association	Mgmt	For	For	For	For
6	Amend Articles to Clarify the Board's Sole Authority to Determine its Size Within the Fixed Limits	Mgmt	For	For	For	For

Cisco Systems, Inc.

Meeting Date: 12/12/2016

Country: USA

Meeting Type: Annual

Ticker: CSCO

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
1a	Elect Director Carol A. Bartz	Mgmt	For	For	Against	For

Vote Summary Report

Date range covered : 10/01/2016 to 12/31/2016

Institution Account(s): Investec Funds Series III - Global Dynamic

Cisco Systems, Inc.

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Voting	
					Policy Rec	Vote Instruction
1b	Elect Director M. Michele Burns	Mgmt	For	For	Against	For
1c	Elect Director Michael D. Cappelas	Mgmt	For	For	Against	For
1d	Elect Director John T. Chambers	Mgmt	For	For	For	For
1e	Elect Director Amy L. Chang	Mgmt	For	For	For	For
1f	Elect Director John L. Hennessy	Mgmt	For	For	Against	For
1g	Elect Director Kristina M. Johnson	Mgmt	For	For	For	For
1h	Elect Director Roderick C. McGeary	Mgmt	For	For	Against	For
1i	Elect Director Charles H. Robbins	Mgmt	For	For	For	For
1j	Elect Director Arun Sarin	Mgmt	For	For	For	For
1k	Elect Director Steven M. West	Mgmt	For	For	Against	For
2	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	For	For	For
3	Ratify PricewaterhouseCoopers LLP as Auditors	Mgmt	For	For	For	For
4	Report on Lobbying Payments and Policy	SH	Against	For	Refer	For
5	Report on Arab and non-Arab Employees using EEO-1 Categories	SH	Against	Against	Refer	Against
6	Establish Board Committee on Operations in Israeli Settlements	SH	Against	Against	Refer	Against

Vote Summary Report

Date range covered: 10/01/2016 to 12/31/2016

Institution Account(s): 5984 -Shropshire County Pension Fund

Samsung Electronics Co. Ltd.

Meeting Date: 10/27/2016	Country: South Korea	Primary Security ID: Y74718100
Record Date: 09/28/2016	Meeting Type: Special	Ticker: A005930
Primary CUSIP: Y74718100	Primary ISIN: KR7005930003	Primary SEDOL: 6771720
Shares Voted: 2,400		

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Vote Instruction
1	Approve Spin-Off Agreement	Mgmt	For	For	For
2	Elect Lee Jae-yong as Inside Director	Mgmt	For	For	For

Microsoft Corporation

Meeting Date: 11/30/2016	Country: USA	Primary Security ID: 594918104
Record Date: 09/30/2016	Meeting Type: Annual	Ticker: MSFT
Primary CUSIP: 594918104	Primary ISIN: US5949181045	Primary SEDOL: 2588173
Shares Voted: 30,500		

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Vote Instruction
1.1	Elect Director William H. Gates, III	Mgmt	For	For	For
1.2	Elect Director Teri L. List-Stoll	Mgmt	For	For	For
1.3	Elect Director G. Mason Morfit	Mgmt	For	For	For
1.4	Elect Director Satya Nadella	Mgmt	For	For	For
1.5	Elect Director Charles H. Noski	Mgmt	For	For	For
1.6	Elect Director Helmut Panke	Mgmt	For	For	For
1.7	Elect Director Sandra E. Peterson	Mgmt	For	For	For
1.8	Elect Director Charles W. Scharf	Mgmt	For	For	For
1.9	Elect Director John W. Stanton	Mgmt	For	For	For
1.10	Elect Director John W. Thompson	Mgmt	For	For	For
1.11	Elect Director Padmasree Warrior	Mgmt	For	For	For
2	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	For	For
3	Ratify Deloitte & Touche LLP as Auditors	Mgmt	For	For	For
4	Amend Right to Call Special Meeting	Mgmt	For	For	For
5	Amend Omnibus Stock Plan	Mgmt	For	For	For

Vote Summary Report

Date range covered: 10/01/2016 to 12/31/2016

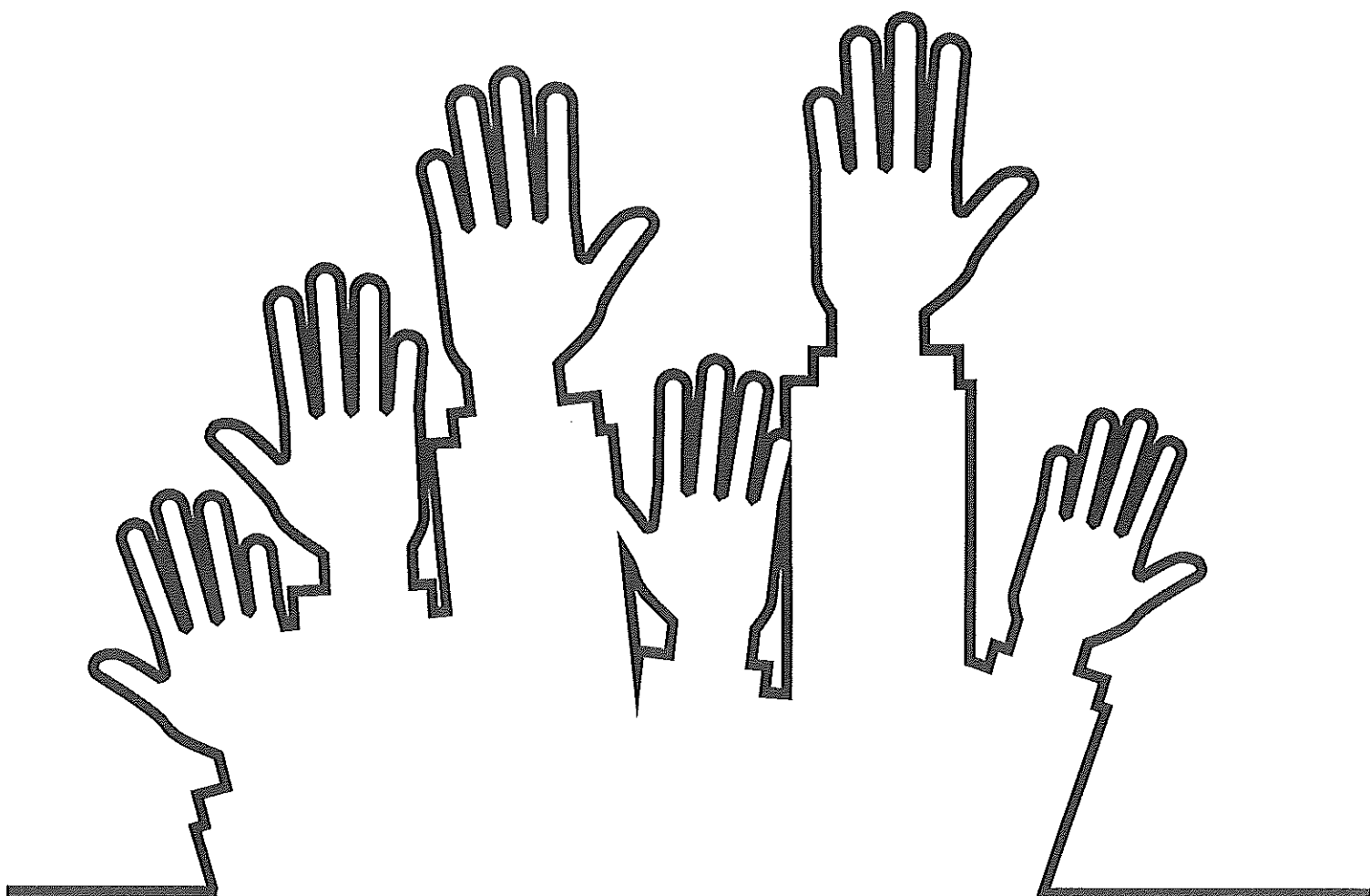
Institution Account(s): 5984 -Shropshire County Pension Fund

Microsoft Corporation

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Vote Instruction
6	Proxy Access	SH	Against	For	Against

Corporate governance and active ownership

Q4 2016 ESG impact report



This is not a consumer advertisement.
It is intended for investment professionals
and should not be relied upon by private
investors or any other persons.

Our mission

To use our influence to ensure that:

Companies integrate **environmental, social and governance (ESG)** factors into their culture and everyday thinking.



Markets and regulators create an **environment** in which **good management** of ESG factors is valued and supported.

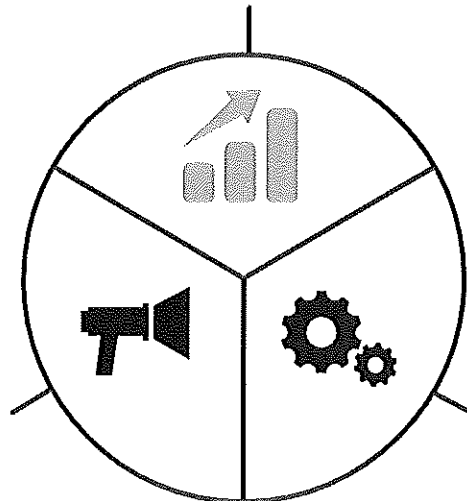


Our focus



Creating sustainable value: Ensuring that boards and management are best equipped to create resilient and long-term growth.

We want to safeguard and grow our clients' assets by ensuring that companies are well positioned for sustainable growth. To be successful in the long term, companies need to have people at the top who are able to deliver sustainable value. We engage directly and collaboratively with them to highlight key challenges and opportunities in their sector and support strategies that can deliver long-term success.



Influencing the debate: Identifying and engaging on key themes and emerging governance topics.

We use our scale to influence markets and the regulatory environment to ensure that issues impacting the value of our clients' investments are recognised and appropriately managed. We identify key themes and emerging governance topics so that we can understand these risks and opportunities and react accordingly. This includes working with governments, regulators and other decision-makers to promote a certain course of action and often collaborating with others to effect change.



Improving companies: Protecting and enhancing our clients' assets by supporting change and holding management accountable for their decisions.

As stewards of our clients' assets, we believe that real change is best achieved through being an engaged and active owner. In doing so, our investment process includes an assessment of how well companies incorporate relevant environmental, social and governance factors into their everyday thinking. We act on our analysis and engage with companies to improve their performance to protect client assets. Voting is also an important tool, which we use to hold management to account.

Latest news and developments

Q4 2016

Future World Fund

In November 2016, LGIM launched the FutureWorld Fund, a multi-factor global equities index fund that incorporates a climate 'tilt' to address the investment risks associated with climate change. HSBC Bank UK Pension Scheme, one of the largest corporate pension funds, has selected this fund for its equity default option, worth £1.85 billion, in its DC scheme. In doing so, it becomes one of the first schemes to adopt a multi-factor investment strategy incorporating a degree of climate change protection as its default fund. Legal & General will also be investing its own capital in to the fund (see link <http://update.lgim.com/futurefund>).

The Future World Fund incorporates LGIM's **Climate Impact Pledge**, in which LGIM commits to engage with the world's largest companies that will need to adapt their business models and drive innovation in order to meet global climate change goals.

LGIM has identified the largest companies in six key sectors that it believes are pivotal to shift the market to a low carbon economy. Across all of our holdings, we will vote against the Chair of those companies who fail to meet LGIM's minimum criteria after an engagement period and in the FutureWorld Fund will divest from these same companies.

Business Innovation and Skills (BIS) Corporate Governance Inquiry

LGIM responded to a Corporate Governance Inquiry announced by the BIS Select Committee in September. The purpose of the inquiry was to investigate the failures in UK Corporate Governance following the collapse of BHS and impact on its pension fund and the failures at Sports Direct. Views on remedies for improvement were also sought by the Committee.

LGIM submitted evidence on the current state of Corporate Governance in the UK and also provided constructive feedback on practical remedies to improve the integrity of the market. This includes increased scrutiny on remuneration levels and greater accountability of directors to their employees and stakeholders.

Stewardship Code Statement

LGIM was pleased to have its UK Stewardship Code Statement assessed as Tier 1 by the Financial Reporting Council as part of its review into reporting of the Stewardship Code. This means we have provided a good quality and transparent description of our approach to stewardship and explanations where an alternative approach was necessary. LGIM's updated UK Stewardship Code Statement can be found here: (link http://www.lgim.com/library/capabilities/UK_Stewardship_Code.pdf).

Institute of Chartered Secretaries and Administrators (ICSA) Award

For the second consecutive year, LGIM's Corporate Governance team received the ICSA award of 'Best Investor Engagement' for 2016. The award aims to reward the investor who has, according to the judgment of FTSE 350 company secretaries, provided the most constructive company engagement during the year.

Corporate Governance in Japan

We attended the Asian Corporate Governance Association annual conference in Tokyo. There has been continuing progress in governance standards in Japan, especially on board independence. In 2016, 78% of companies in Japan had at least two independent directors on the board (up from 21.5% in 2014). We also submitted a collaborative response to the Tokyo Stock Exchange consultation on corporate reporting reform.

Marrakech Climate Change Conference

LGIM attended the COP22 in Marrakech for climate talks, following the successful agreement in Paris which came into force on 4 November 2016. The discussions were mainly on the financing of the low carbon transition now that the global goal has been crystallised.

We also presented the Future World Fund and Climate Impact Pledge concept to many different ministerial audiences, to showcase the ways in which this transition can be embraced by pensions schemes.

External Presentations and Events

In October, LGIM presented at the LGC Investment Seminar in Scotland. We discussed how positive engagement can enhance value for LGPS funds and explained how it creates sustainable value, influences the debate and improves companies.

We also presented at an Investment Seminar in Dublin. We explained why ESG matters in the changing investment landscape and presented our engagement process and talked about the new Climate Impact Pledge.

Lastly, in December, we presented at the Italian Corporate Governance Conference on shareholder involvement in the appointment of directors to the board.

For more information regarding voting statistics and engagement, please go to: www.lgim.com/cgupdate

POLICY AND PRACTICE

We aim to increase and protect shareholder value on behalf of our clients by exercising their voting rights. We also engage with companies both directly and collaboratively with other investors to reduce risks of corporate failure and promote best practice. We comply with the principles set out in the UK Stewardship Code and are a signatory to the UN Principles of Responsible Investment (PRI).

<http://www.lgim.com/uk/en/capabilities/corporate-governance/>

In order to demonstrate key governance issues, voting statistics are divided up into main voting categories. We engage on a range of environmental, social, governance (ESG) and financial issues and integrate all components where appropriate.

All votes in the UK, North American and Japan markets are publicly disclosed on our website along with our voting policies.

LGIM votes in all major developed markets including: Europe, North America, Japan and Asia Pacific, and have minimised abstentions. We also vote in the major emerging markets and have started reporting on our activities in this region.

Regional updates

UK

KEY COMPANY ENGAGEMENTS

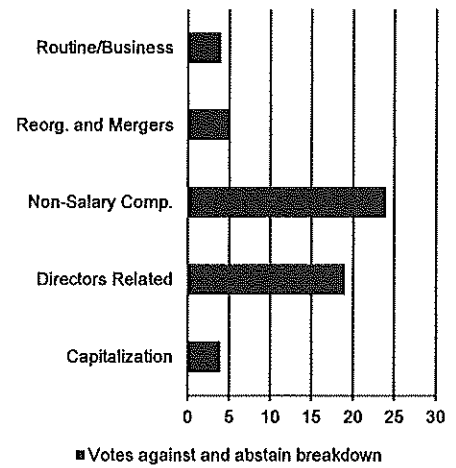
SVG Capital plc	What is the issue:
Market cap £760.4m	SVG Capital (SVG) is a FTSE 250 investment trust and the third largest private equity trust listed in the UK. Along with most other investment trusts operating in the sector there was a large discount between the value of the assets and the value of the investment trust. Despite various positive actions taken by the board the valuation discount was relatively persistent. In addition, a major shareholder of SVG, who holds 26% of the share capital, had been voting against the management and board of SVG for over four years.
Private Equity Trust	Why is it an issue: A persistent discounted share price affects the value of the underlying assets and means that shareholders do not see the full benefit of their investment until the discount closes or assets are liquidated with cash being returned to shareholders. Additionally, we consider that participants in the private equity listed investment trust sector need scale in order to invest, obtain the best terms for transactions and find partners for larger projects. Having a dissenting major shareholder constrained their ability to issue new capital and expand.
	What did LGIM do? At the beginning of September 2016, LGIM was told confidential information and was informed of a hostile bid for SVG launched by Harbourvest, a private equity company. SVG's shares were priced at £5.68 compared to the initial offer by Harbourvest of £6.50. Once the Harbourvest bid was made public, shareholders of SVG Capital had four weeks to accept or reject the offer. During this time we held two meetings with the Chairman and Senior Independent Director of SVG, and exchanged a number of e-mails, encouraging them to seek alternative solutions and offers to increase shareholder value. Over the next four weeks SVG received two offers from two other parties at a higher price to the initial Harbourvest offer. At the beginning of October, Harbourvest submitted an increased revised offer of £7.15 per share.
	The outcome? At SVG's General Meeting, held on 5th December 2016, LGIM voted in favour of the revised offer by Harbourvest which will deliver £7.15 per share to shareholders. This is at a premium to the value of the underlying assets and compares with the original share price of £5.68 prior to the bid being made. Therefore, significant value has been realised for all shareholders, including LGIM clients.

SABMiller plc	What is the issue:
Market cap £73.01bn	SABMiller received a takeover offer from AB InBev, which first offered £42.15 per share for the company in October 2015.
Beverages	The size of the deal was very significant, representing the fourth largest merger of all time. Additionally, the two major shareholders had a bespoke arrangement under the terms of the deal. Minority shareholders were concerned about the offer price and the level of involvement of the two major shareholders in the deal.
	What did LGIM do? As a top ten shareholder and trusted long-term investor, we have held extensive dialogue with the company over many years on a wide range of topics. Immediately post the initial offer by ABInbev we held sensitive and discrete discussions with the Chairman on the bid process and price. Additionally we consulted major shareholders on both sides of the bid before delivering one coherent message: remain independent unless the price improves. At this point, SABMiller's board accepted an increased bid of £44 per share. In July 2016, we spoke with the activist investors, the Chairman and advisors and then lent our support to the Board to push for an increase in the offer due to the significant currency moves.
	The outcome? The final offer was increased to £45 per share. Shareholders including LGIM chose to support the terms of the deal at the company's General Meeting held at the end of September 2016, yielding significant extra value for investors and LGIM clients.

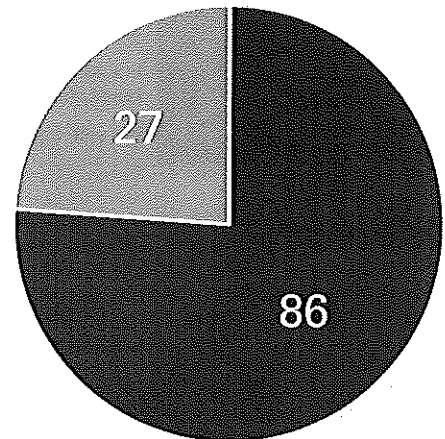
Q4 2016 VOTING SUMMARY UK

Proposal category	UK		
	For	Against	Abstain
Anti-takeover Related	43		
Capitalisation	277	4	
Directors Related	420	19	
Non-Salary Comp.	101	24	
Reorg. and Mergers	22	5	
Routine/Business	335	4	
SH-Compensation			
SH-Corp Governance			
SH-Dirs' Related			
SH-Gen Econ Issues			
SH-Health/Environ.			
SH-Other/misc.			
SH-Routine/Business			
SH-Soc./Human Rights			
Social Proposal			
Total	1198	56	
Total resolutions	1254		
No. AGMs	82		
No. EGMs	36		
No. of companies voted	113		
No. of companies where voted against/abstain at least one resolution	27		
% no. of companies where at least one vote against	24		

Voting issue breakdown (against and abstain)



Number of companies voted against/abstain



- No. of companies supported
- No. of companies where voted against/abstain at least one resolution

'LGIM voted against at least one resolution at 24% of UK companies over the quarter.'

Source for all data LGIM. The votes above represents against management voting instructions for our main FTSE pooled index funds

Regional updates

Europe

KEY COMPANY ENGAGEMENTS

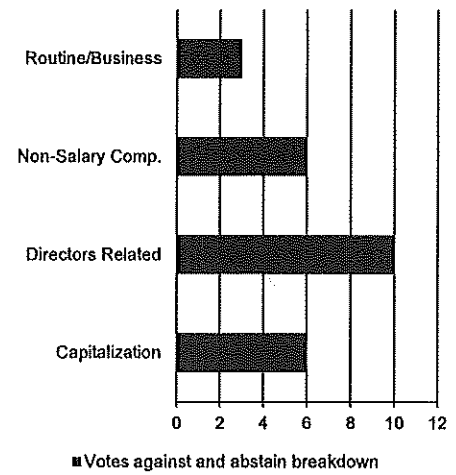
Repsol SA	<p>What is the issue: The company operates in tough industry conditions due to the low oil price and is exposed to climate change risks. This includes a reduction in the available resources that can be extracted economically and the strengthening of climate regulation, which constitutes a financial and reputational risk for the business.</p> <p>Why is it an issue: In light of international commitments under the COP21 Paris Agreement, which aims to limit the increase in global temperatures below 2 degrees above pre-industrial levels, and the overall focus of the international community on climate change, investors need assurance that the business models of companies they invest in are robust and viable over the long term.</p> <p>What did LGIM do? We have been engaging with Repsol on climate change issues for the last two years. In 2015 we pushed for improved transparency in R&D disclosure on climate change.</p> <p>Most recently in November we attended a Sustainability Day conference organised by the company with other investors. This was the opportunity to get a better understanding of the company's long-term strategy for a low carbon economy and directly ask questions to Board members and company directors.</p> <p>Furthermore, we had detailed engagement with seven company representatives the next day to discuss the integration of sustainability considerations into the company's strategy and culture.</p> <p>This meeting was also the opportunity to raise broader governance topics such as succession planning and board diversity, and give our views.</p> <p>The outcome? Further to our past engagement, the company provided us with detailed information on their innovation and technological development programmes as part of their initiatives to tackle climate change.</p> <p>In addition, the company assured us its sustainability strategy is embedded in its overall strategy and made clear commitments in terms of progress towards a low carbon emissions future.</p> <p>We will monitor progress and continue to engage with the company on the subject.</p>
Market cap €20.45bn	
Oil and gas	

Schneider Electric	<p>What is the issue: We first met with the company in April 2016 and had a follow up meeting with the Lead Independent Director (LID) in October to hear directly from a Board Director regarding Corporate Governance arrangements and Board composition. In addition, issues were raised at the last AGM regarding remuneration.</p> <p>Why is it an issue: It is important to ensure that the Board has proper oversight to ensure that it creates long-term sustainable shareholder value. Furthermore, the Company has a joint Chair/CEO which is not in line with best practice as power in the company is concentrated in the hands of one individual. Lastly, remuneration needs to be linked with the strategy in order to incentivise management.</p> <p>What did LGIM do? Whilst we supported the company at the AGM we met the LID who explained how the Board concentrates on the long-term vision of the business and how research and development plays an important part in meeting customer demands in the future. Examples were given around how the company embraces technology including looking at solar power, energy storage such as batteries, smart solutions and the process of cross-pollination between different divisions in the company to promote learning and growth.</p> <p>In addition, in terms of the governance structure, the LID explained how risks were mitigated around the power of the joint Chair/CEO and how succession planning on the Board would be addressed.</p> <p>The outcome? The LID committed to better reporting on how the Remuneration Committee sets targets on how pay is linked to the long-term strategy and stated that they will be stretching beyond market expectations to challenge management. The LID also explained the possibility of a further appointment to the Board to enhance skills and experience where they currently lack.</p>
Market cap €39.32bn	
Industrials	

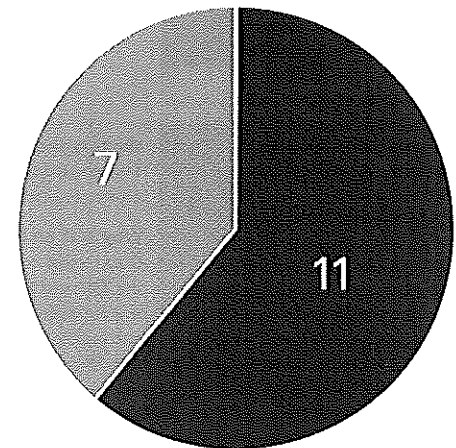
Q4 2016 VOTING SUMMARY EUROPE

Proposal category	EUROPE		
	For	Against	Abstain
Anti-takeover Related	1		
Capitalisation	13	6	
Directors Related	63	10	
Non-Salary Comp.	15	6	
Reorg. and Mergers	10		
Routine/Business	63	3	
SH-Compensation			
SH-Corp Governance			
SH-Dirs' Related	1		
SH-Gen Econ Issues			
SH-Health/Environ.			
SH-Other/misc.			
SH-Routine/Business			
SH-Soc./Human Rights			
Social Proposal			
Total	166	25	
Total resolutions	191		
No. AGMs	8		
No. EGMs	10		
No. of companies voted	18		
No. of companies where voted against/abstain at least one resolution	7		
% no. of companies where at least one vote against	39		

Voting issue breakdown (against and abstain)



Number of companies voted against/abstain



- No. of companies supported
- No. of companies where voted against/abstain at least one resolution

'LGIM voted against at least one resolution at 39% of European companies over the quarter.'

Source for all data LGIM. The votes above represents against management voting instructions for our main FTSE pooled index funds

Regional updates

North America

KEY COMPANY ENGAGEMENTS

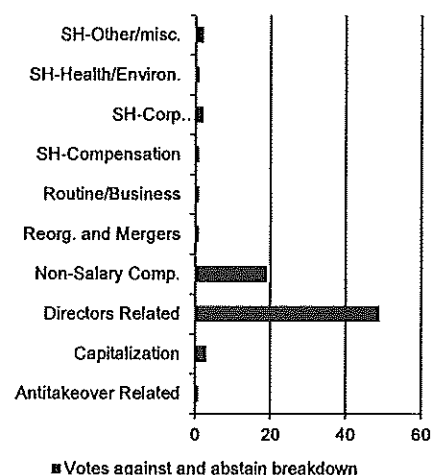
Wells Fargo	<p>What is the issue: The company was involved in an internal cross-selling scandal involving over 5,000 employees who were found to be miss-selling products to existing customers and setting up additional fee paying accounts without customer permission. The CEO was questioned by the Senate Banking Committee and had approximately \$40m of his pay clawed back. However, he still remained in office whilst some offending employees were dismissed.</p> <p>Why is it an issue: The CEO is ultimately responsible and accountable for the company and its employees. LGIM believed that the CEO should have resigned for the clear failure of oversight.</p> <p>What did LGIM do? LGIM has been engaging with the company for the last two years, primarily with the board's Lead Director. Following the cross-selling scandal being reported, we spoke privately to the company and the Lead Director to request that the CEO step down. LGIM also requested that the roles of Chair and CEO become separate and that this structure is implemented into the company bylaws going forward rather than just as an emergency succession process. LGIM had voted against the CEO in his position as non-executive director on two other US boards due to overboarding and our concerns with his ability to commit enough time to all three roles.</p> <p>The outcome? Soon after our engagement we were informed that the CEO stepped down and that the Lead Director had taken on the role as board Chair. The CEO also stepped down from his non-executive roles on the two other US boards. Shortly after this announcement, the company also informed us that changes had been made to the company bylaws to require that the CEO and Chair roles be separate effective immediately. We support these changes which we believe will strengthen the company's corporate governance structure.</p>
Market cap \$261bn	
Banks	

Exxon Mobil	<p>What is the issue: The company has consistently failed to acknowledge support of the Paris Agreement on climate change and to report on its portfolio resilience/stress testing in a 2 degree scenario.</p> <p>Why is it an issue: Due to the commitment by governments in the Paris Agreement to limit climate warming to 2 degrees, the Oil and Gas sector is at risk of many of its assets being stranded. This means that companies may not be able to burn all the reserves they have on their books due to limits on global warming, which constitutes a financial risk in the short and long term. Investors therefore need transparency around this information to understand both the financial risks and also what companies are doing to diversify energy production away from fossil fuels to ensure they remain viable for the long term.</p> <p>What did LGIM do? LGIM held several private conversations in 2016 with the company on this issue but has recently joined forces with several other investors to ask the company to provide this relevant information. In the last quarter we have had two collaborative meetings with the company on this matter.</p> <p>This follows on from the vote at the AGM in April where LGIM publicly pre-declared support for the shareholder proposal put to the company at the AGM on climate change disclosure, to allow the company and stakeholders to understand the importance of the issue.</p> <p>The outcome? On 4 November the company issued a statement welcoming the Paris Agreement. We will continue to work with the company and collectively with other shareholders on the disclosure of their portfolio resilience reporting.</p>
Market cap \$360bn	
Oil and gas	

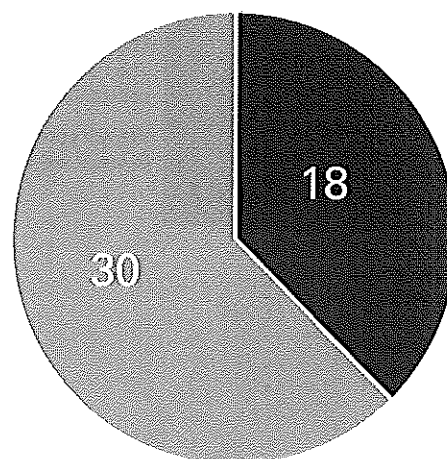
Q4 2016 VOTING SUMMARY NORTH AMERICA

Proposal category	NORTH AMERICA		
	For	Against	Abstain
Anti-takeover Related	11	1	
Capitalisation	7	3	
Directors Related	314	49	
Non-Salary Comp.	40	19	
Reorg. and Mergers	6	1	
Routine/Business	46	1	
SH-Compensation		1	
SH-Corp Governance		2	
SH-Dirs' Related	3		
SH-Gen Econ Issues			
SH-Health/Environ.		1	
SH-Other/misc.	2	2	
SH-Routine/Business			
SH-Soc./Human Rights			
Social Proposal	1		
Total	430	80	
Total resolutions	510		
No. AGMs	37		
No. EGMs	11		
No. of companies voted	48		
No. of companies where voted against/abstain at least one resolution	30		
% no. of companies where at least one vote against	63		

Voting issue breakdown (against and abstain)



Number of companies voted against/abstain



- No. of companies supported
- No. of companies where voted against/abstain at least one resolution

'LGIM voted against at least one resolution at 63% of North American companies over the quarter.'

Source for all data LGIM. The votes above represents against management voting instructions for our main FTSE pooled index funds

Regional updates

Japan

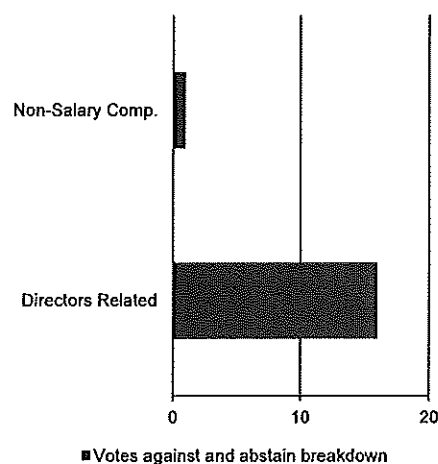
KEY COMPANY ENGAGEMENTS

<p>Tokyo Stock Exchange</p>	<p>What is the issue: Japan continues its positive corporate governance reforms following the introduction of its first Corporate Governance Code in 2015.</p>
<p>Market wide</p>	<p>Japan's corporate reporting regime and practices are often duplicative with multiple reports needing to be produced and audited. The Financial Council Disclosure Working Group (set up under the FSA) put forward proposals to allow companies more freedom in the format that they use for the 'earnings digest' which is used for reporting quarterly and annual results.</p> <p>In October 2016 the Tokyo Stock Exchange (TSE) launched a consultation of reform on these proposals. Whilst we are supportive of corporate reporting reform in Japan, we had concerns that the implementation of the proposals would have unintended consequences for shareholders by not requiring a full set of financial statements to be prepared ahead of the AGM.</p> <p>Why is it an issue: In Japan, the audited Annual Report is not normally available until after the AGM. Therefore, investors are reliant on the full financial statements published with the fourth quarter earnings digest as the only source of detailed information ahead of the vote. Shareholders vote at the AGM to approve, amongst other items, the dividend and election of the statutory audit board. The detailed financial information is therefore vital to make informed voting decisions.</p> <p>What did LGIM do? LGIM worked in collaboration with Standard Life Investments and RPMi Railpen to send a single message of concern to the TSE. We contacted local Japanese investors to fully understand the impact of the proposals. We then drafted a collective letter to the TSE expressing our concerns. The letter was signed by over 40 asset managers and asset owners and was supported by two investor associations. Working collaboratively sent a consistent message to the TSE and demonstrated the breadth of concern across the market.</p> <p>The outcome? The TSE will now consider all the responses to the consultation. They have already acknowledged the collective letter and welcomed international investors' interest and valuable input in the topic.</p> <p>We will continue to engage with the Tokyo Stock Exchange, the Financial Services Authority and related investor working groups in Japan on corporate governance reforms.</p>

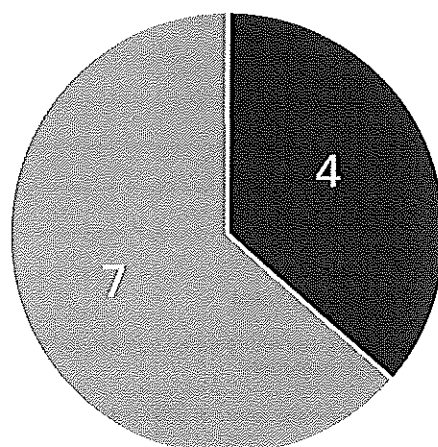
Q4 2016 VOTING SUMMARY JAPAN

Proposal category	JAPAN		
	For	Against	Abstain
Anti-takeover Related			
Capitalisation			
Directors Related	73	16	
Non-Salary Comp.	1	1	
Reorg. and Mergers	7		
Routine/Business	6		
SH-Compensation			
SH-Corp Governance			
SH-Dirs' Related			
SH-Gen Econ Issues			
SH-Health/Environ.			
SH-Other/misc.			
SH-Routine/Business			
SH-Soc./Human Rights			
Social Proposal			
Total	87	17	
Total resolutions		104	
No. AGMs		7	
No. EGMs		4	
No. of companies voted		11	
No. of companies where voted against/abstain at least one resolution		7	
% no. of companies where at least one vote against		63	

Voting issue breakdown (against and abstain)



Number of companies voted against/abstain



- No. of companies supported
- No. of companies where voted against/abstain at least one resolution

'LGIM voted against at least one resolution at 63% of Japanese companies over the quarter.'

Source for all data LGIM. The votes above represents against management voting instructions for our main FTSE pooled index funds

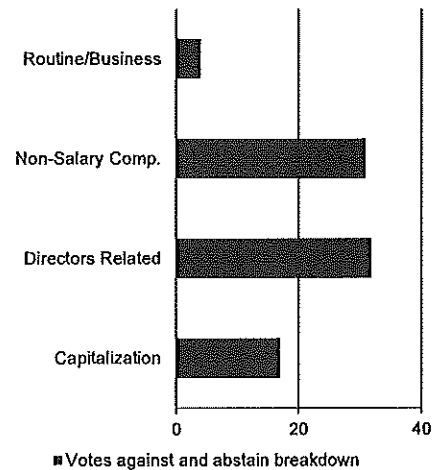
Regional updates

Asia Pacific

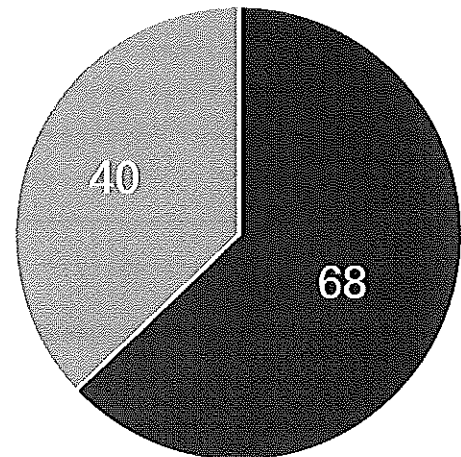
Q4 2016 VOTING SUMMARY ASIA PACIFIC

Proposal category	ASIA PACIFIC		
	For	Against	Abstain
Anti-takeover Related	11		
Capitalisation	24	17	
Directors Related	262	32	
Non-Salary Comp.	137	31	
Reorg. and Mergers	24		
Routine/Business	58	4	
SH-Compensation			
SH-Corp Governance			
SH-Dirs' Related			
SH-Gen Econ Issues			
SH-Health/Environ.			
SH-Other/misc.			
SH-Routine/Business			
SH-Soc./Human Rights			
Social Proposal			
Total	516	84	
Total resolutions	600		
No. AGMs	86		
No. EGMs	22		
No. of companies voted	108		
No. of companies where voted against/abstain at least one resolution	40		
% no. of companies where at least one vote against	37		

Voting issue breakdown (against and abstain)



Number of companies voted against/abstain



- No. of companies supported
- No. of companies where voted against/abstain at least one resolution

'LGIM voted against at least one resolution at 37% of Asia Pacific companies over the quarter.'

Source for all data LGIM. The votes above represents against management voting instructions for our main FTSE pooled index funds

Regional updates

Emerging markets

KEY COMPANY ENGAGEMENTS

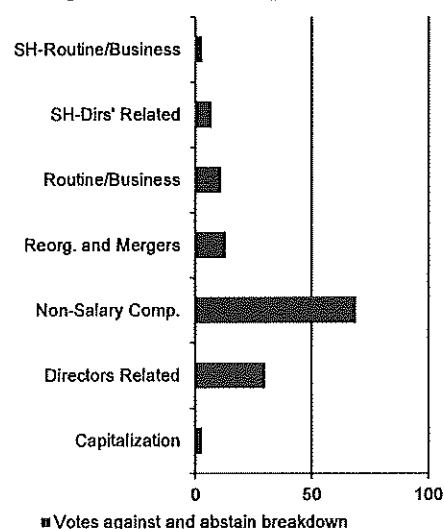
ITAU Unibanco Holdings SA	<p>Engagement update The Company outlined the three main focuses for their sustainability team: financial education, social and environmental risks, and transparency. All products are assessed as to whether there is any sustainability impact or whether they are the right ones for the customers.</p> <p>We also discussed social inclusion. We were informed that this is addressed by their micro credit business which provides door-to-door credit, is based on cash flows and uses social media to reach 55 million people. They have IT models that flag potential problems with debt customers which reduces their losses. In addition, they offer online personal finance training which can be accessed via mobile. Participants of the training benefit by receiving better rates. Having climate policies was a part of their capital requirements.</p>
Brazil	
Market cap BRL 214bn	
Banks	

Vale SA	<p>Engagement update During their annual capital markets day, management emphasised how important safety is to their business. They hold a Safety Promotion day for all employees and contractors with zero harm as a target throughout their operations. As a result, injury rates and incidents have both seen a reduction. They talked about the steps they have taken to help the people affected by the Samarco Dam failure by providing shelter while their homes were being re-built. No one was out of their homes for more than 24 hours.</p> <p>In addition, together with BHP Billiton, they are focused on the repair, restoration and reconstruction programs of the regions, with an emphasis on environment and social economic recovery programs. Water preservation, energy savings and renewables are also important. 85% of water used is being recycled and re-used. Their S11D project, which is considered a benchmark in sustainability, uses 93% less water of which 86% is recycled and re-used. They plan to replicate the processes used in S11D in other projects which will increase the sustainability of their operations.</p>
Brazil	
Market cap BRL 158bn	
Mining	

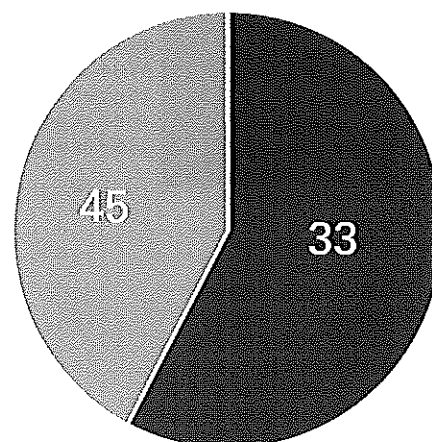
Q4 2016 VOTING SUMMARY EMERGING MARKETS

Proposal category	EMERGING MARKETS		
	For	Against	Abstain
Anti-takeover Related			
Capitalisation	73	3	
Directors Related	180	30	
Non-Salary Comp.	15	69	
Reorg. and Mergers	68	13	
Routine/Business	132	11	
SH-Compensation			
SH-Corp Governance			
SH-Dirs' Related		7	
SH-Gen Econ Issues			
SH-Health/Environ.			
SH-Other/misc.			
SH-Routine/Business		3	
SH-Soc./Human Rights			
Social Proposal			
Total	468	136	
Total resolutions	604		
No. AGMs	19		
No. EGMs	59		
No. of companies voted	78		
No. of companies where voted against/abstain at least one resolution	33		
% no. of companies where at least one vote against	42		

Voting issue breakdown (against and abstain)



Number of companies voted against/abstain



- No. of companies supported
- No. of companies where voted against/abstain at least one resolution

'LGIM voted against at least one resolution at 42% of emerging market companies over the quarter.'

Source for all data LGIM. The votes above represents against management voting instructions for our main FTSE pooled index funds

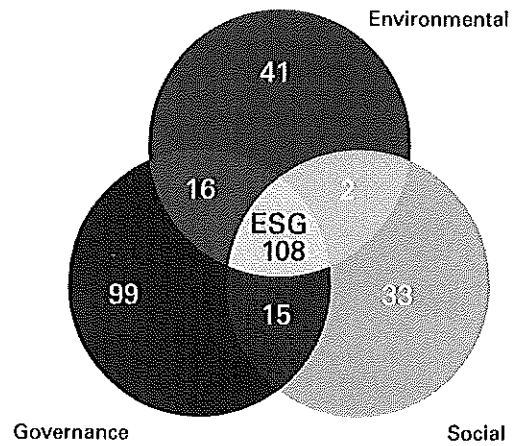
Global summary

VOTING TOTALS

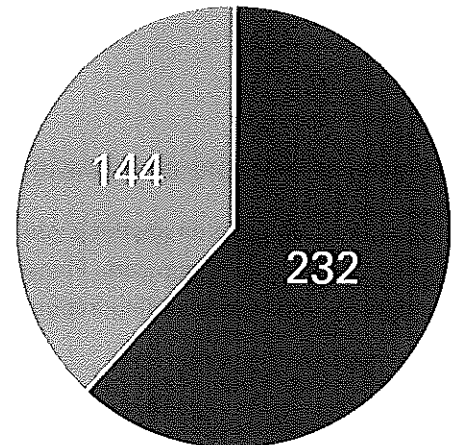
Proposal category	Total
Anti-takeover Related	67
Capitalisation	427
Directors Related	1468
Non-Salary Comp.	459
Reorg. and Mergers	156
Routine/Business	663
SH-Compensation	1
SH-Corp Governance	2
SH-Dirs' Related	11
SH-Gen Econ Issues	0
SH-Health/Environ.	1
SH-Other/misc.	4
SH-Routine/Business	3
SH-Soc./Human Rights	0
Social Proposal	1

Total resolutions	3263
No. AGMs	239
No. EGMs	142
No. of companies voted	376

Frequency of ESG topics



Number of companies voted against/abstain



■ No. of companies supported

◦ No. of companies where voted against/abstain at least one resolution

COMPANY ENGAGEMENT STATISTICS

Proposal category	Total
Total number of companies	91
Total number of meetings	108
Number of meetings where environmental topics discussed	41
Number of meetings where social topics discussed	33
Number of meetings where governance topics discussed	99
Number of meetings where other topics (e.g. financial and strategy) discussed	63
% of meetings including environmental and social issues discussed	52

Top 3 engagement themes this quarter:	Board composition	Remuneration	Strategy
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CONTACT US FOR MORE INFORMATION

For further information on anything you have read in this report or to provide feedback, please contact us at corporategovernance@lgim.com. Please visit our website www.lgim.com/corporategovernance where you will also find more information including frequently asked questions.

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