

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

Over the quarter, Majedie Asset Management voted at a total of 60 meetings on 709 resolutions.

Please see below a breakdown of the meetings and resolutions which pertain to the UK Equity Fund.

Number of meetings we voted at this quarter	46	
Number of resolutions	538	
Where we voted in line with Management	521	(96.8%)
Where we have not voted in line with Management	17	(3.2%)
Where we voted against ISS's recommendation	26	(4.8%)

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.

RESOLUTION	AGAINST MANAGEMENT	AGAINST ISS
Routine/Business	14	14
Capitalisation	2	1
Board election & related proposals	1	5
Shareholder proposals	0	1
Remuneration	0	5
Miscellaneous	0	0
Reorg. and Mergers	0	0
Total	17	26

Sources: Majedie, ISS (Institutional Shareholder Services)

VOTING BREAKDOWN

SECURITY	MEETING DATE	MEETING TYPE	MAJEDIE VOTE	IN LINE WITH ISS
Accrol	30 Sep 2016	AGM	Voted for all	Yes
Accsys Technologies	21 Sep 2016	AGM	Voted for all	Yes
Aminex	02 Aug 2016	EGM	Voted for all	Yes
ARM	30 Aug 2016	EGM	Voted for all	Yes
Atalaya Mining (1)	07 Jul 2016	AGM	Voted for all	No
Bloomsbury Publishing	19 Jul 2016	AGM	Voted for all	Yes
BT (2)	13 Jul 2016	AGM	Against Resolution 21	No
Carptright (3)	07 Sep 2016	AGM	Against Resolution 14	No
Charles Stanley	29 Jul 2016	AGM	Voted for all	Yes
Conviviality	12 Sep 2016	AGM	Voted for all	Yes
Conygar Investment Company	29 Jul 2016	EGM	Voted for all	Yes
Creston (4)	06 Sep 2016	AGM	Abstention on Resolution 7. Against Resolution 11	No
Dairy Crest (5)	19 Jul 2016	AGM	Against Resolution 13	No
De La Rue (6)	21 Jul 2016	AGM	Against Resolution 16	No
e2v technologies (7)	13 Jul 2016	AGM	Voted for all	No
Eckoh	29 Sep 2016	AGM	Voted for all	Yes
Electrocomponents	20 Jul 2016	AGM	Voted for all	Yes
FastJet (8)	08 Aug 2016	EGM	Against Resolution 4	Yes
FirstGroup (9)	19 Jul 2016	AGM	Against Resolution 17	No
Gresham House	16 Aug 2016	EGM	Voted for all	Yes
Gresham House Strategic Group (10)	25 Jul 2016	AGM	Against Resolution 8	No
Home Retail	27 Jul 2016	EGM	Voted for all	Yes
HomeServe	15 Jul 2016	AGM	Voted for all	Yes
Imagination Technologies	06 Sep 2016	AGM	Voted for all	Yes
J Sainsbury (11)	06 Jul 2016	AGM	Against Resolution 18	No
KCOM	22 Jul 2016	AGM	Voted for all	Yes
LMS Capital	16 Aug 2016	EGM	Voted for all	Yes
Marks and Spencer (12)	12 Jul 2016	AGM	Against Resolution 21	No
National Grid (13)	25 Jul 2016	AGM	Against Resolution 17	No
Premier Farnell	12 Sep 2016	EGM	Voted for all	Yes
Restore	22 Aug 2016	EGM	Voted for all	Yes
Ryanair	27 Jul 2016	EGM	Voted for all	Yes
Ryanair (14)	14 Sep 2016	AGM	Voted for all	No
Scapa (15)	19 Jul 2016	AGM	Against Resolution 15	No
Shanks (16)	14 Jul 2016	AGM	Against Resolution 13	No
Sirius Real Estate	23 Sep 2016	AGM	Voted for all	Yes
Speedy Hire (17)	13 Jul 2016	AGM	Against Resolution 13	No
Speedy Hire (18)	09 Sep 2016	EGM	Against Resolutions 1, 2	No
Tate & Lyle (19)	21 Jul 2016	AGM	Against Resolution 17	No
Vectura (20)	07 Sep 2016	AGM	Voted for all	No
Vertu Motors	20 Jul 2016	AGM	Voted for all	Yes
Vodafone (21)	29 Jul 2016	AGM	Against Resolution 22	No

SECURITY	MEETING DATE	MEETING TYPE	MAJEDIE VOTE	IN LINE WITH ISS
WYG (22)	22 Sep 2016	AGM	Voted for all	No

Source : ISS (Institutional Shareholder Services)

VOTING NOTES

- 1) Atalaya Mining: On Resolution 13, options stand effectively in lieu of payment as the directors work to turn the business around over this period. We are aware this arrangement is unusual but are extending some flexibility as the directors' increased share ownership will align them more closely with shareholders' interests and therefore voted in favour.
- 2) BT: We voted in line with Majedie policy with regard to political donations.
- 3) Carpetright: We voted in line with Majedie policy with regard to political donations.
- 4) Creston: On Resolution 7, we have some concerns about the range of skills and experience represented around the board table and wished to signal this clearly to the management, therefore we abstained on this appointment. On Resolution 11, we voted in line with Majedie policy with regard to political donations.
- 5) Dairy Crest: We voted in line with Majedie policy with regard to political donations.
- 6) De La Rue: On Resolution 2, it is possible to work out the range within which the remuneration calculation will be made. The company has given retrospective information in previous years which encourages us to believe they will again. We also accept the management's argument about commercial sensitivity. On Resolution 16, we voted in line with Majedie policy with regard to political donations.
- 7) e2v technologies: In the course of the voting period, ISS changed their recommendation from abstain to for following dialogue with the company. Essentially they were persuaded, as were we, that the new level of CEO remuneration was as a result of performance demonstrated in the role. Overall the level of remuneration is in line with the sector.
- 8) FastJet: We voted against as the proposed issuance of equity without pre-emptive rights exceeds recommended limits of 10%.
- 9) FirstGroup: We voted in line with Majedie policy with regard to political donations.
- 10) Gresham House Strategic Group: We voted against as the proposed issuance of equity without pre-emptive rights exceeds recommended limits of 10%.
- 11) J Sainsbury: We voted in line with Majedie policy with regard to political donations.
- 12) Marks and Spencer: We voted in line with Majedie policy with regard to political donations.
- 13) National Grid: We voted in line with Majedie policy with regard to political donations.
- 14) Ryanair: On Resolution 2, ISS raised concerns about the level of detail the company made available. We considered that there is sufficient information to conclude that the management are acting in the best interests of shareholders. On Resolution 3a, ISS recommended a vote against David Bonderman as he holds 30,000 share options in the company. We consider that the share options do not materially affect his ability to objectively advise the company. On Resolution 3j, ISS recommended a vote against James Osborne as he holds 30,000 share options in the company. We consider that the share options do not materially affect his ability to objectively advise the company.
- 15) Scapa: On Resolution 2, ISS recommended voting against this item. Long-term incentive awards granted to executive directors under the company's Value Creation Plan (VCP) allowed for the re-testing of performance conditions, which was contrary to recommended market practice. We are generally supportive of their strategy and the CEO has been crucial to the company's success and his retention and continued

incentivisation remain significant to total shareholder return, so we decided to vote in favour. In addition, the top ten shareholders approved this resolution. However, we make governance best practice a critical discussion point in our meetings with management. On Resolution 15, we voted in line with Majedie policy with regard to political donations.

- 16) Shanks: We voted in line with Majedie policy with regard to political donations.
- 17) Speedy Hire (AGM): Majedie voted against political donations and expenditure in line with our usual policy.
- 18) Speedy Hire (EGM): On Resolution 1, we engaged at length with the board and reviewed in detail the case made by Toscafund in order to explore the arguments on both sides. While we acknowledge the company has historically had governance issues, they have made considerable strides in addressing them. We anticipate the chairman stepping back to a non-executive role by the end of the year. Other key board positions have been revitalised by the appointment of the CEO last year and the CFO this year. On Resolution 2, we are strongly supportive of the appointment of an additional NED to strengthen the board, however we are unconvinced that David Shearer would provide the necessary neutral advice we look for to hold the board to account. We also note that since Toscafund hold a significant investment in Speedy Hire's competitor, HSS, they have a vested interest in promoting a takeover by Speedy Hire which we do not consider to be in the best interests of all shareholders. We therefore advised the company to run a further independent, proper process to add an additional non-executive to the Board who is fully independent.
- 19) Tate & Lyle: Majedie voted against political donations and expenditure in line with our usual policy.
- 20) Vectura: On Resolution 4, ISS recommended a vote against the election of Frank Condella because he is a non-independent Director and is currently a member of the audit committee which is against industry corporate governance best practice. We feel that smaller companies should be afforded greater flexibility in the composition of their boards, so in line with our UK Smaller Companies voting policy, we voted in favour of his appointment.
- 21) Vodafone: Majedie voted against political donations and expenditure in line with our usual policy.
- 22) WYG: Mike McTighe serves on the Audit Committee, Remuneration Committee and Nomination Committee. Whilst we would prefer to see directors serve on only one committee, we acknowledge that smaller companies need to be permitted greater leeway in the composition of their boards, so we chose to vote in favour.



Vote Summary Report

Date range covered: 07/01/2016 to 09/30/2016

Location(s): Massachusetts Financial Services

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

Burberry Group plc

Meeting Date: 07/14/2016

Country: United Kingdom

Primary Security ID: G1700D105

Meeting ID: 1066300

Record Date: 07/12/2016

Meeting Type: Annual

Ticker: BRBY

Primary CUSIP: G1699R107

Primary ISIN: GB0031743007

Primary SEDOL: 3174300

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1	Accept Financial Statements and Statutory Reports	Mgmt	For	For
2	Approve Remuneration Report	Mgmt	For	For
3	Approve Final Dividend	Mgmt	For	For
4	Re-elect Sir John Peace as Director	Mgmt	For	For
5	Re-elect Fabiola Arredondo as Director	Mgmt	For	For
6	Re-elect Philip Bowman as Director	Mgmt	For	For
7	Re-elect Ian Carter as Director	Mgmt	For	For
8	Re-elect Jeremy Darroch as Director	Mgmt	For	For
9	Re-elect Stephanie George as Director	Mgmt	For	For
10	Re-elect Matthew Key as Director	Mgmt	For	For
11	Re-elect Dame Carolyn McCall as Director	Mgmt	For	For
12	Re-elect Christopher Bailey as Director	Mgmt	For	For
13	Re-elect Carol Fairweather as Director	Mgmt	For	For
14	Re-elect John Smith as Director	Mgmt	For	For
15	Reappoint PricewaterhouseCoopers LLP as Auditors	Mgmt	For	For
16	Authorise the Audit Committee to Fix Remuneration of Auditors	Mgmt	For	For
17	Authorise EU Political Donations and Expenditure	Mgmt	For	For
18	Authorise Issue of Equity with Pre-emptive Rights	Mgmt	For	For
19	Authorise Issue of Equity without Pre-emptive Rights	Mgmt	For	For
20	Authorise Market Purchase of Ordinary Shares	Mgmt	For	For
21	Authorise the Company to Call General Meeting with Two Weeks' Notice	Mgmt	For	For

Vote Summary Report

Date range covered: 07/01/2016 to 09/30/2016

Location(s): Massachusetts Financial Services

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

Microchip Technology Incorporated

Meeting Date: 08/15/2016

Country: USA

Primary Security ID: 595017104

Meeting ID: 1078263

Record Date: 06/21/2016

Meeting Type: Annual

Ticker: MCHP

Primary CUSIP: 595017104

Primary ISIN: US5950171042

Primary SEDOL: 2592174

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1.1	Elect Director Steve Sanghi	Mgmt	For	For
1.2	Elect Director Matthew W. Chapman	Mgmt	For	For
1.3	Elect Director L.B. Day	Mgmt	For	For
1.4	Elect Director Esther L. Johnson	Mgmt	For	For
1.5	Elect Director Wade F. Meyercord	Mgmt	For	For
2	Amend Executive Incentive Bonus Plan	Mgmt	For	For
3	Ratify Ernst & Young LLP as Auditors	Mgmt	For	For
4	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	For

Grupo Financiero Banorte S.A.B. de C.V.

Meeting Date: 08/19/2016

Country: Mexico

Primary Security ID: P49501201

Meeting ID: 1080108

Record Date: 08/08/2016

Meeting Type: Special

Ticker: GFNORTE O

Primary CUSIP: P49501201

Primary ISIN: MXP370711014

Primary SEDOL: 2421041

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
	Extraordinary Business	Mgmt		
1.1	Amend Article 5 Re: Location of Corporate Domicile	Mgmt	For	For
1.2	Amend Article 19 Re: Asset Acquisition Operations	Mgmt	For	For
1.3	Amend Article 44 Re: Independent Members of Nomination Committee	Mgmt	For	For
1.4	Resolutions in Item 1.1 Are Subject to Suspense Consistent Condition by Which Authorization Referred to in Article 20 of Law Regulating Financial Groups Is Granted, Prior Opinion of National Banking and Securities Commission and Banco de Mexico	Mgmt		

Vote Summary Report

Date range covered: 07/01/2016 to 09/30/2016

Location(s): Massachusetts Financial Services

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

Grupo Financiero Banorte S.A.B. de C.V.

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
2	Authorize Board to Ratify and Execute Approved Resolutions	Mgmt	For	For

Grupo Financiero Banorte S.A.B. de C.V.

Meeting Date: 08/19/2016

Country: Mexico

Primary Security ID: P49501201

Meeting ID: 1080109

Record Date: 08/08/2016

Meeting Type: Special

Ticker: GFNORTE O

Primary CUSIP: P49501201

Primary ISIN: MXP370711014

Primary SEDOL: 242104I

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
	Ordinary Business	Mgmt		
1.1	Approve Cash Dividends of MXN 0.45750654921773 Per Share to Be Paid on Aug. 31, 2016	Mgmt	For	For
1.2	Approve Fourth and Last Payment of Dividend of 2014 to Be Paid on Aug. 31, 2016	Mgmt	For	For
1.3	Approve Cash Dividends of MXN 1.23355355686851 per Share	Mgmt	For	For
1.4	Approve First Payment of Dividend of 2015 to Be Paid on Aug. 31, 2016	Mgmt	For	For
1.5	Approve Second Payment of Dividend of 2015 to Be Paid in May 2017	Mgmt	For	For
2	Authorize Board to Ratify and Execute Approved Resolutions	Mgmt	For	For

Compagnie Financiere Richemont SA

Meeting Date: 09/14/2016

Country: Switzerland

Primary Security ID: H25662182

Meeting ID: 1024118

Record Date:

Meeting Type: Annual

Ticker: CFR

Primary CUSIP: H25662158

Primary ISIN: CH0210483332

Primary SEDOL: BCRWZ18

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1	Accept Financial Statements and Statutory Reports	Mgmt	For	For

Vote Summary Report

Date range covered: 07/01/2016 to 09/30/2016

Location(s): Massachusetts Financial Services

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

Compagnie Financiere Richemont SA

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
2	Approve Allocation of Income and Dividends of CHF 1.70 per Registered A Share and CHF 0.17 per Registered B Share	Mgmt	For	For
3	Approve Discharge of Board of Directors	Mgmt	For	For
4.1	Reelect Johann Rupert as Director and Board Chairman	Mgmt	For	Against
4.2	Reelect Yves-Andre Istel as Director	Mgmt	For	For
4.3	Reelect Josua Malherbe as Director	Mgmt	For	Against
4.4	Reelect Jean-Blaise Eckert as Director	Mgmt	For	Against
4.5	Reelect Bernard Fornas as Director	Mgmt	For	Against
4.6	Reelect Richard Lepeu as Director	Mgmt	For	Against
4.7	Reelect Ruggero Magnoni as Director	Mgmt	For	Against
4.8	Reelect Simon Murray as Director	Mgmt	For	For
4.9	Reelect Guillaume Pictet as Director	Mgmt	For	For
4.10	Reelect Norbert Platt as Director	Mgmt	For	Against
4.11	Reelect Alan Quasha as Director	Mgmt	For	For
4.12	Reelect Maria Ramos as Director	Mgmt	For	For
4.13	Reelect Lord Renwick of Clifton as Director	Mgmt	For	For
4.14	Reelect Jan Rupert as Director	Mgmt	For	Against
4.15	Reelect Gary Saage as Director	Mgmt	For	Against
4.16	Reelect Jurgen Schrempp as Director	Mgmt	For	Against
4.17	Reelect The Duke of Wellington as Director	Mgmt	For	For
4.18	Elect Jeff Moss as Director	Mgmt	For	For
4.19	Elect Cyrille Vigneron as Director	Mgmt	For	Against
5.1	Appoint Lord Renwick of Clifton as Member of the Compensation Committee	Mgmt	For	For
5.2	Appoint Yves Andre Istel as Member of the Compensation Committee	Mgmt	For	For
5.3	Appoint The Duke of Wellington as Member of the Compensation Committee	Mgmt	For	For
6	Ratify PricewaterhouseCoopers as Auditor	Mgmt	For	For
7	Designate Françoise Demierre Morand Independent Proxy	Mgmt	For	For
8.1	Approve Maximum Remuneration of Board of Directors in the Amount of CHF 7.4 Million	Mgmt	For	For

Vote Summary Report

Date range covered: 07/01/2016 to 09/30/2016

Location(s): Massachusetts Financial Services

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

Compagnie Financiere Richemont SA

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
8.2	Approve Maximum Fixed Remuneration of Senior Executive Committee in the Amount of CHF 9.9 Million	Mgmt	For	For
8.3	Approve Maximum Variable Remuneration of Senior Executive Committee in the Amount of CHF 16.4 Million	Mgmt	For	For
9	Transact Other Business (Voting)	Mgmt	For	Against

Diageo plc

Meeting Date: 09/21/2016

Country: United Kingdom

Primary Security ID: G42089113

Meeting ID: 1080851

Record Date: 09/19/2016

Meeting Type: Annual

Ticker: DGE

Primary CUSIP: G42089113

Primary ISIN: GB0002374006

Primary SEDOL: 0237400

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1	Accept Financial Statements and Statutory Reports	Mgmt	For	For
2	Approve Remuneration Report	Mgmt	For	For
3	Approve Final Dividend	Mgmt	For	For
4	Re-elect Peggy Bruzelius as Director	Mgmt	For	For
5	Re-elect Lord Davies of Abersoch as Director	Mgmt	For	For
6	Re-elect Ho KwonPing as Director	Mgmt	For	For
7	Re-elect Betsy Holden as Director	Mgmt	For	For
8	Re-elect Dr Franz Humer as Director	Mgmt	For	For
9	Re-elect Nicola Mendelsohn as Director	Mgmt	For	For
10	Re-elect Ivan Menezes as Director	Mgmt	For	For
11	Re-elect Philip Scott as Director	Mgmt	For	For
12	Re-elect Alan Stewart as Director	Mgmt	For	For
13	Elect Javier Ferran as Director	Mgmt	For	For
14	Elect Kathryn Mikells as Director	Mgmt	For	For
15	Elect Emma Walmsley as Director	Mgmt	For	For
16	Reappoint PricewaterhouseCoopers LLP as Auditors	Mgmt	For	For

Vote Summary Report

Date range covered: 07/01/2016 to 09/30/2016

Location(s): Massachusetts Financial Services

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

Diageo plc

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
17	Authorise Board to Fix Remuneration of Auditors	Mgmt	For	For
18	Authorise Issue of Equity with Pre-emptive Rights	Mgmt	For	For
19	Authorise Issue of Equity without Pre-emptive Rights	Mgmt	For	For
20	Authorise Market Purchase of Ordinary Shares	Mgmt	For	For
21	Authorise EU Political Donations and Expenditure	Mgmt	For	For

Vote Summary Report

Date range covered: 07/01/2016 to 09/30/2016

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

Experian plc

Meeting Date: 07/20/2016	Country: United Kingdom	Primary Security ID: G32655105
Record Date: 07/18/2016	Meeting Type: Annual	Ticker: EXPN
Primary CUSIP: G32655105	Primary ISIN: G800819NLV48	Primary SEDOL: B19NLV4
Shares Voted: 142,900		

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Vote Instruction
1	Accept Financial Statements and Statutory Reports	Mgmt	For	For	For
2	Approve Remuneration Report	Mgmt	For	For	For
3	Elect Luiz Fleury as Director	Mgmt	For	For	For
4	Re-elect Brian Cassin as Director	Mgmt	For	For	For
5	Re-elect Roger Davis as Director	Mgmt	For	For	For
6	Re-elect Deirdre Mahlan as Director	Mgmt	For	For	For
7	Re-elect Lloyd Pitchford as Director	Mgmt	For	For	For
8	Re-elect Don Robert as Director	Mgmt	For	For	For
9	Re-elect George Rose as Director	Mgmt	For	For	For
10	Re-elect Paul Walker as Director	Mgmt	For	For	For
11	Re-elect Kerry Williams as Director	Mgmt	For	For	For
12	Appoint KPMG LLP as Auditors	Mgmt	For	For	For
13	Authorise Board to Fix Remuneration of Auditors	Mgmt	For	For	For
14	Authorise Issue of Equity with Pre-emptive Rights	Mgmt	For	For	For
15	Authorise Issue of Equity without Pre-emptive Rights	Mgmt	For	For	For
16	Authorise Issue of Equity without Pre-emptive Rights	Mgmt	For	For	For
17	Authorise Market Purchase of Ordinary Shares	Mgmt	For	For	For

Compagnie Financiere Richemont SA

Meeting Date: 09/14/2016	Country: Switzerland	Primary Security ID: H25662182
Record Date:	Meeting Type: Annual	Ticker: CFR
Primary CUSIP: H25662158	Primary ISIN: CH0210483332	Primary SEDOL: BCRWZ18

Vote Summary Report

Date range covered: 07/01/2016 to 09/30/2016

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

Compagnie Financiere Richemont SA

Shares Voted: 89,204

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Vote Instruction
1	Accept Financial Statements and Statutory Reports	Mgmt	For	For	For
2	Approve Allocation of Income and Dividends of CHF 1.70 per Registered A Share and CHF 0.17 per Registered B Share	Mgmt	For	For	For
3	Approve Discharge of Board of Directors	Mgmt	For	For	For
4.1	Reelect Johann Rupert as Director and Board Chairman	Mgmt	For	Against	For
4.2	Reelect Yves-Andre Istel as Director	Mgmt	For	Against	For
4.3	Reelect Josua Malherbe as Director	Mgmt	For	Against	For
4.4	Reelect Jean-Blaise Eckert as Director	Mgmt	For	Against	For
4.5	Reelect Bernard Fornas as Director	Mgmt	For	Against	For
4.6	Reelect Richard Lepeu as Director	Mgmt	For	For	For
4.7	Reelect Ruggero Magnoni as Director	Mgmt	For	Against	For
4.8	Reelect Simon Murray as Director	Mgmt	For	Against	For
4.9	Reelect Guillaume Pictet as Director	Mgmt	For	For	For
4.10	Reelect Norbert Platt as Director	Mgmt	For	Against	For
4.11	Reelect Alan Quasha as Director	Mgmt	For	Against	For
4.12	Reelect Maria Ramos as Director	Mgmt	For	For	For
4.13	Reelect Lord Renwick of Clifton as Director	Mgmt	For	Against	For
4.14	Reelect Jan Rupert as Director	Mgmt	For	Against	For
4.15	Reelect Gary Saage as Director	Mgmt	For	Against	For
4.16	Reelect Jurgen Schrempp as Director	Mgmt	For	Against	For
4.17	Reelect The Duke of Wellington as Director	Mgmt	For	Against	For
4.18	Elect Jeff Moss as Director	Mgmt	For	For	For
4.19	Elect Cyrille Vigneron as Director	Mgmt	For	Against	For
5.1	Appoint Lord Renwick of Clifton as Member of the Compensation Committee	Mgmt	For	Against	For
5.2	Appoint Yves Andre Istel as Member of the Compensation Committee	Mgmt	For	Against	For
5.3	Appoint The Duke of Wellington as Member of the Compensation Committee	Mgmt	For	Against	For
6	Ratify PricewaterhouseCoopers as Auditor	Mgmt	For	For	For

Vote Summary Report

Date range covered: 07/01/2016 to 09/30/2016

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

Compagnie Financiere Richemont SA

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Vote Instruction
7	Designate Françoise Demierre Morand Independent Proxy	Mgmt	For	For	For
8.1	Approve Maximum Remuneration of Board of Directors in the Amount of CHF 7.4 Million	Mgmt	For	For	For
8.2	Approve Maximum Fixed Remuneration of Senior Executive Committee in the Amount of CHF 9.9 Million	Mgmt	For	For	For
8.3	Approve Maximum Variable Remuneration of Senior Executive Committee in the Amount of CHF 16.4 Million	Mgmt	For	For	For
9	Transact Other Business (Voting)	Mgmt	For	Against	Against

Diageo plc

Meeting Date: 09/21/2016

Country: United Kingdom

Primary Security ID: G42089113

Record Date: 09/19/2016

Meeting Type: Annual

Ticker: DGE

Primary CUSIP: G42089113

Primary ISIN: GB0002374006

Primary SEDOL: 0237400

Shares Voted: 133,430

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Vote Instruction
1	Accept Financial Statements and Statutory Reports	Mgmt	For	For	For
2	Approve Remuneration Report	Mgmt	For	For	For
3	Approve Final Dividend	Mgmt	For	For	For
4	Re-elect Peggy Bruzelius as Director	Mgmt	For	For	For
5	Re-elect Lord Davies of Abersoch as Director	Mgmt	For	For	For
6	Re-elect Ho KwongPing as Director	Mgmt	For	For	For
7	Re-elect Betsy Holden as Director	Mgmt	For	For	For
8	Re-elect Dr Franz Humer as Director	Mgmt	For	For	For
9	Re-elect Nicola Mendelsohn as Director	Mgmt	For	For	For
10	Re-elect Ivan Menezes as Director	Mgmt	For	For	For
11	Re-elect Philip Scott as Director	Mgmt	For	For	For
12	Re-elect Alan Stewart as Director	Mgmt	For	For	For
13	Elect Javier Ferran as Director	Mgmt	For	For	For
14	Elect Kathryn Mikells as Director	Mgmt	For	For	For

Vote Summary Report

Date range covered: 07/01/2016 to 09/30/2016

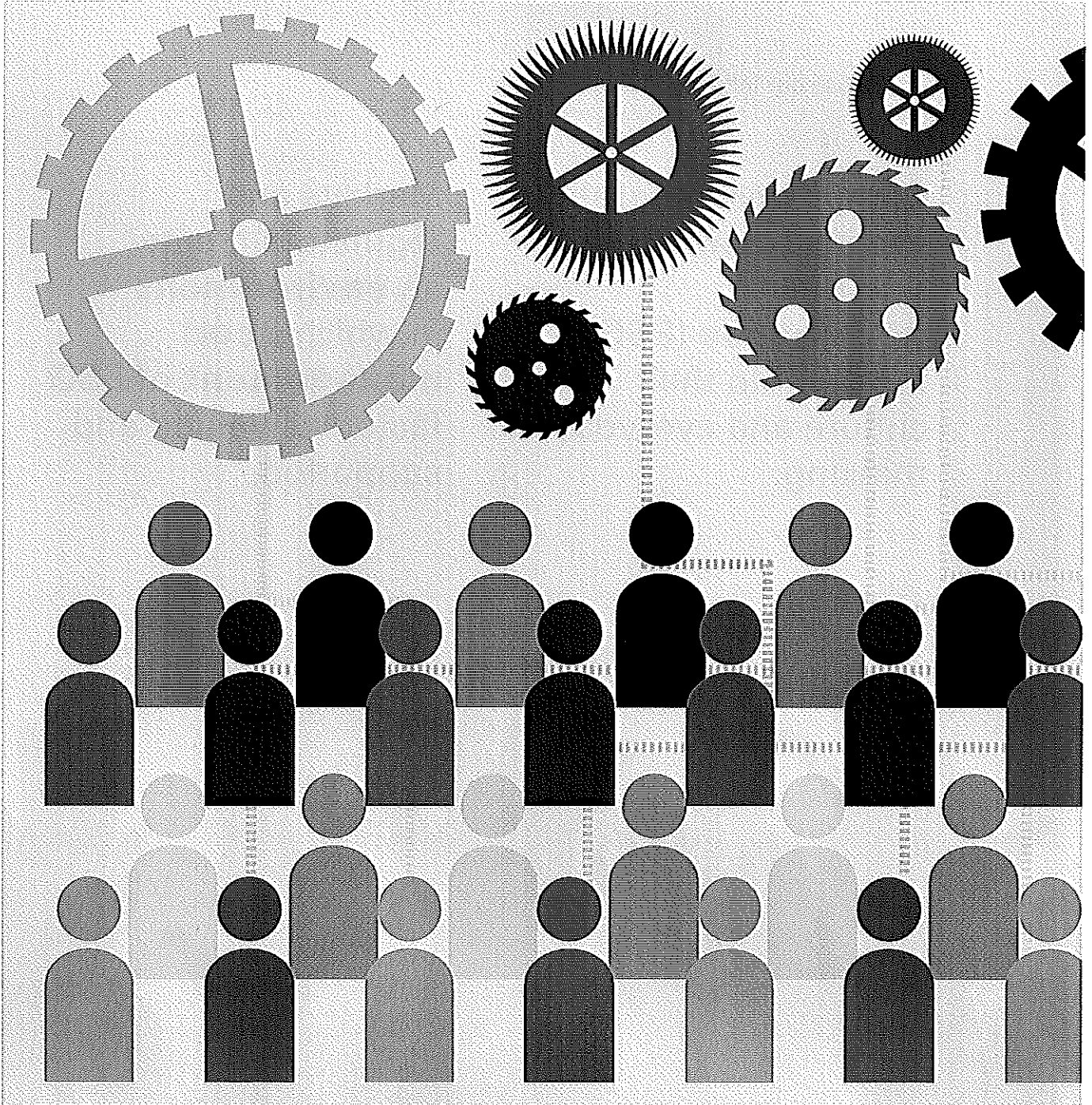
Institution Account(s): 5984 -Shropshire County Pension Fund

Diageo plc

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Vote Instruction
15	Elect Emma Walmsley as Director	Mgmt	For	For	For
16	Reappoint PricewaterhouseCoopers LLP as Auditors	Mgmt	For	For	For
17	Authorise Board to Fix Remuneration of Auditors	Mgmt	For	For	For
18	Authorise Issue of Equity with Pre-emptive Rights	Mgmt	For	For	For
19	Authorise Issue of Equity without Pre-emptive Rights	Mgmt	For	For	For
20	Authorise Market Purchase of Ordinary Shares	Mgmt	For	For	For
21	Authorise EU Political Donations and Expenditure	Mgmt	For	For	For

ESG impact

Q3 2016 quarterly report



Our Q3 2016 quarterly report on environmental, social and governance (ESG) issues

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



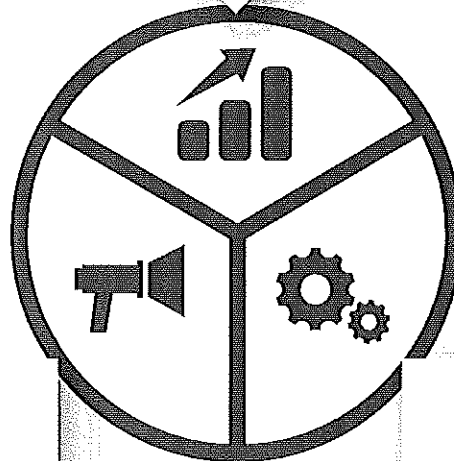
Creating sustainable value:

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.



Improving companies:

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

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.

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 - Q3 2016

Press coverage

In September, LGIM made a public statement on voting at the AGM of Sports Direct. As a significant minority shareholder, we try to use our position as a large shareholder to influence and promote best practice. Given the on-going concerns with the governance structure and working practices at the company, we made public our view which is a final part of our escalation process. We also attended the AGM in person.

For more information please go to the UK section in our quarterly report: www.lgim.com/cgupdate

Non-Executive Director Corporate Governance Seminar

LGIM hosted an exclusive seminar aimed at newer non-executive directors and those who wanted to understand key topical issues from a long term investor perspective. The seminar offered practical and direct advice from LGIM and a number of high-profile plc board members on many aspects of the non-executive director role.

A wide variety of topics were discussed including board diversity, executive remuneration, audit and tax, cyber security and climate change. The event was well received and attended by over 80 international guests.

Corporate Governance in Switzerland

In September 2016 we met with the Swiss Stock Exchange, with a number of other international asset managers, to discuss their governance rules, regulations and enforcement powers. Switzerland is one of LGIM's biggest markets in Europe.

We paid particular attention on the protection of minority shareholders within the Swiss market. This has come under increased scrutiny in recent years given rules allowing major shareholders to 'opt-out' of mandatory takeover provisions. This could allow a takeover of a listed company without a premium being offered to minority shareholders (as seen at Sika AG). Additionally, we discussed related party transactions rules, dual-class shares and the process for IPO.

Principles of Responsible Investment (PRI)

In September LGIM attended the PRI in Person in Singapore. The annual conference brings together signatories to the Principles for Responsible Investment and other investment professionals to share experiences and ideas on issues topical to responsible investment. With over 600 attendees from across the globe it's a strong platform for collaboration and learning. Prior to the conference and as a member of the PRI working group on sustainable palm oil, LGIM joined an investor trip to Indonesia.

Alongside 21 other investors we met with local palm oil companies and smallholder farmers, federal and provincial government, local and international NGO's, and community representatives. The objective was to understand progress being made and the challenges still faced by palm oil companies in the implementation of sustainable growing and sourcing practices. Also we emphasised, both to companies and government, the importance of international investors to drive sustainable practices in the palm oil industry.

Master Trust AGM

For the third year running, LGIM presented to the Master Trust Annual Forum on Corporate Governance. The purpose of the presentation was to update the trustees on the topic of Corporate Governance as well as discuss emerging Environmental, Social and Governance issues and promote awareness of the topic.

LGIM Remuneration Principles

As part of our annual policy review process, we have updated our remuneration principles to reflect the current focus and attention on the issue. LGIM has also written to the Corporate Secretarial departments of the FTSE 350 in advance and have supplied them an advanced copy of our views. This is important given that a large number of companies will be currently reviewing their remuneration structure and be putting their binding remuneration policy to a shareholder vote next year at their 2017 AGM. We have had positive feedback on our constructive comments.

For more information on our new remuneration principles, please go to: http://www.lgim.com/library/capabilities/LGIM_Summary_Pay_Principles.pdf

Stewardship Code Statement

LGIM has updated its UK Stewardship Code Statement following feedback received from the Financial Reporting Council (FRC) as part of its review in to reporting by signatories. Following the publication of the results from the FRC's review, we will shortly be placing an updated Stewardship Code statement on our website and will inform clients.

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 component 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 ON E (ENVIRONMENTAL), S (SOCIAL), G (GOVERNANCE) AND F (FINANCIAL) TOPICS

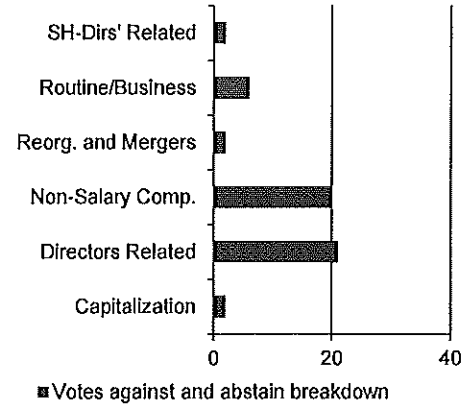
	Speedy Hire plc	What is the issue: At their EGM a shareholder resolution was proposed to remove the Chairman of the Board and elect an alternative candidate in his place.
	Market cap £202m	Why is it an issue: At the time, one of Speedy Hire's major shareholders wanted the company to merge with HSS plc. Speedy Hire's performance during 2015 resulted in a profit warning and the CEO being replaced. This was a difficult decision for the Chairman who as relatively new himself and the company was operating without a Group Finance Director. The idea of merging with HSS seemed a sensible option at that time because HSS was considered a superior business with a reputable management team in place. However, while exploring a tie up with HSS, they started to implement a revised strategy.
	Industrials	<p>In the first quarter of 2016, some of that strategy was starting to deliver positive results whilst the performance at HSS started to falter. The Board decided that a tie up with HSS, at this time, was no longer necessary. Speedy's major shareholder disagreed with the Board's decision and called for the removal of the Chairman and to appoint a new Non-Executive Director of their choosing.</p> <p>What did LGIM do? LGIM discussed the matter with the Chairmen of Speedy Hire and HSS, the Senior Independent Director at Speedy Hire and the major shareholder that was proposing the resolutions. We also made further inquiries regarding the director they were proposing.</p> <p>LGIM decided to support the re-election of the Chairman because the strategy of the Board was starting to work and in our perspective as long-term shareholders there were concerns on merging at this time. We also decided to support the election of the proposed new candidate as a Non-Executive Director.</p> <p>Going forward, we will engage with the individual to make it clear that in supporting his election we expect him to work for the benefit of all shareholders not just his proponent.</p> <p>The outcome? The Chairman and the proposed new candidate secured sufficient votes from shareholders for their election. Speedy Hire's performance continues to improve with H1 performance being better than the market expected.</p>

	Sports Direct plc	<p>What is the issue: Significant governance failings by the Board including:</p>
	Market cap £1.7bn	<ul style="list-style-type: none"> • Poor succession planning for key management positions for a significant period (e.g. Finance Director);
	General Retail	<ul style="list-style-type: none"> • Lack of refreshment for independent non-executive board members for the last 5 years; • Lack of transparency and management of conflicts of interest on related party transactions; and • Poor oversight on supply chain, health and safety and working conditions for employees <p>Why is it an issue: The company's performance has been deteriorating with numerous profit warnings leading up to the AGM. Also, there were concerns around the company's strategy as Sports Direct was purchasing a number of stakes in various listed companies through derivative positions. Access to organise meetings or to get answers about what the company was doing proved difficult</p> <p>In addition, working practices at the company's Shirebrook warehouse and the company's decision not to sign the Bangladesh Fire & Safety Accord put social issues in spotlight.</p> <p>MPs also got involved when they breached insolvency rules in the closure of USC. The Founder was summoned by the Parliament business select committee to answer to allegations of a gross abuse of power and breaches of labour practices.</p> <p>These issues led to reputational damage to the brand, a continued deterioration in performance and shareholder value being destroyed with the share price falling by more than 50% in the last year.</p> <p>What did LGIM do? Due to the lack of progress that had been made over the course of our engagement, we continued to vote against the re-election of the Board Chairman for the third consecutive year. We also escalated our voting position to oppose the re-election of all of the Non-Executive Directors on the Board and went public on our stance two weeks before the AGM.</p> <p>LGIM has been proactively engaging with Sports Direct since the company listed in 2007 to request for changes. We highlighted the importance of appointing a dedicated Company Secretary to assist the Board and to appoint an Investor Relations person to communicate with shareholders.</p> <p>LGIM also supported a shareholder resolution calling on Sports Direct to carry out an independent review into labour practices in the business. Furthermore, we attended the AGM in person and together with other members of the Investor Forum. A meeting was held with the entire board after the AGM calling for an independent enquiry into governance at the company.</p> <p>Lastly given the lack of transparency regarding Sports Direct's supply chain, health and safety policies and working conditions, we requested that the company review its strategy in this area and provide more disclosure.</p> <p>The outcome? The Board has appointed a permanent Company Secretary and Investor Relations person filling in key management positions important for shareholder communication.</p> <p>The Board Chairman did not receive sufficient support from independent shareholders – 53% of minority shareholders voted against his re-election. Another AGM will be called in due course to re-elect him again to the position. The Board Chairman has made a public commitment that if things have not improved in the next year, he will step down.</p> <p>Lastly, the Founder has agreed to an independent review of governance and labour practices even though the shareholder resolution did not pass due to his large shareholding in opposition of the proposal. The CEO also stepped down from the Board two and a half weeks after the AGM. The Founder will take responsibility for the business until another CEO is appointed.</p>

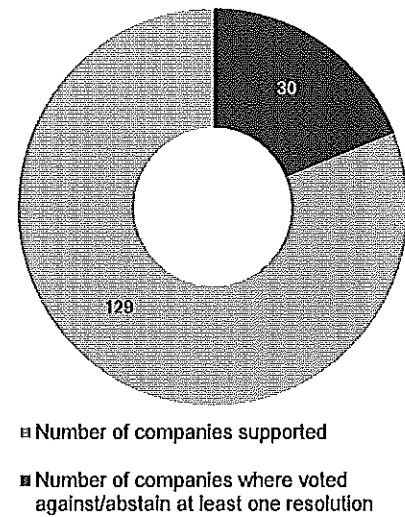
Q3 2016 VOTING SUMMARY UK

Proposal category	UK		
	For	Against	Abstain
Anti-takeover Related	103		
Capitalisation	486	2	
Directors Related	976	21	
Non-Salary Comp.	183	20	
Reorg. and Mergers	30	2	
Routine/Business	595	6	
SH-Compensation			
SH-Corp Governance			
SH-Dirs' Related	1	1	
SH-Gen Econ Issues			
SH-Health/Environ.			
SH-Other/misc.			
SH-Routine/Business		1	
SH-Soc./Human Rights			
Social Proposal			
Total	2374	53	
Total resolutions		2427	
No. AGMs		143	
No. EGMs		25	
No. of companies voted		159	
No. of companies where voted against/abstain at least one resolution		30	
% no. of companies where at least one vote against		19	

Voting issue breakdown (against and abstain)



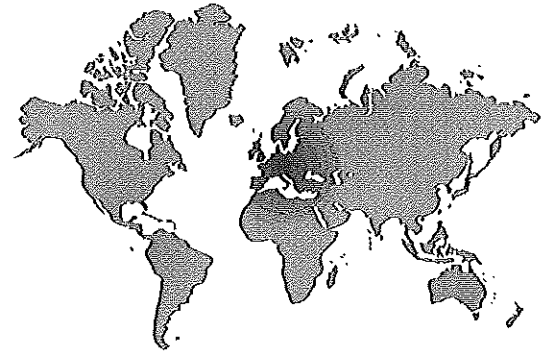
Number of companies voted against/abstain



'LGIM voted against at least one resolution at **19%** of UK companies over the quarter.'

Regional updates

EUROPE



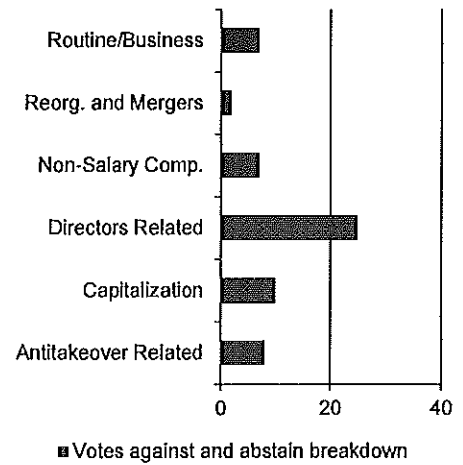
KEY COMPANY ENGAGEMENTS ON E (ENVIRONMENTAL), S (SOCIAL), G (GOVERNANCE) AND F (FINANCIAL) TOPICS

	Italian Voto di Lista System	What is the issue?
	Market wide	<p>Italy has a unique process to ensure the minority shareholder voice is heard – the ‘Voto di Lista’ – whereby board seats are set aside for candidates nominated by the minority shareholders. LGIM strongly supports this mechanism for providing clear alignment between the board and shareholders. However, as the shareholding base in some companies is becoming widely diversified, this creates technical questions as to who is appointing the board</p>
	Telecommunication	<p>Why is it an issue? Over 83% of companies in Italy have a dominant shareholder. Major shareholders can provide a long-term vision and a stable capital base for many companies, however it is equally important this power is not used to the detriment of the long-term interest of the company or its minority shareholders. Any proposed changes to the Voto di Lista system due to increasing diversified shareholder base in many Italian companies, should not undermine the important rights of minority shareholders to nominate directors to the board.</p> <p>What did LGIM do? We have engaged with six Italian companies this quarter to understand how they are currently operating the Voto di Lista system, and to ensure an appropriate balance of representatives of controlling shareholder and minority representatives. We also presented at an Italian Corporate Governance conference on the importance of the Voto di Lista system for institutional investors, such as LGIM, including how we would like to see it strengthened.</p> <p>The outcome? We will continue to promote institutional investor involvement in the Voto di Lista process and ensure that minority shareholder rights are strengthened.</p>

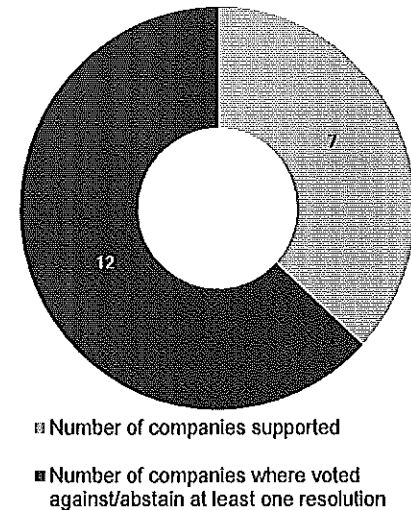
Q3 2016 VOTING SUMMARY EUROPE

Proposal category	EUROPE		
	For	Against	Abstain
Anti-takeover Related		8	
Capitalisation	18	10	
Directors Related	48	25	
Non-Salary Comp.	13	7	
Reorg. and Mergers	6	2	
Routine/Business	43	7	
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	128	59	
Total resolutions		187	
No. AGMs		9	
No. EGMs		10	
No. of companies voted		19	
No. of companies where voted against/abstain at least one resolution		12	
% no. of companies where at least one vote against		63	

Voting issue breakdown (against and abstain)



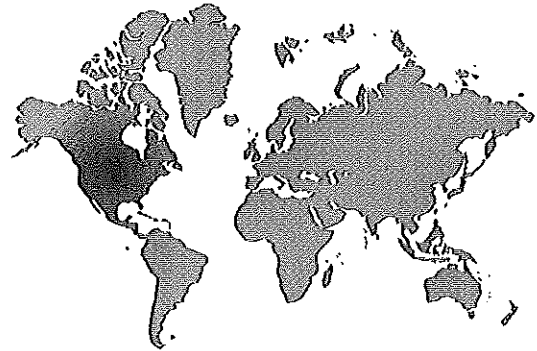
Number of companies voted against/abstain





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

Regional updates

NORTH AMERICA



KEY COMPANY ENGAGEMENTS AND VOTING ON E (ENVIRONMENTAL), S (SOCIAL), G (GOVERNANCE) AND F (FINANCIAL) TOPICS

	Microsoft	What is the issue? LGIM had concerns with compensation arrangements which included large discretionary short term awards being based mainly on personal performance. In addition, the maximum payout levels are excessive under incentive schemes and there is a lack of performance conditions attached to awards.
	Market cap: \$348bn	
	Technology	Why is it an issue? We continue to advocate the sensible use of discretion which can inflate compensation awards and believe that a maximum bonus target of 200% of salary is sufficient and in line with market practice. Furthermore, long term awards should be based largely on performance metrics to assure alignment and accountability to shareholders rather than executives receiving compensation for holding equity over time. What did LGIM do? LGIM has been engaging with Microsoft since 2012 and although we have supported their executive compensation through voting, we have warned the company that if longer term performance periods and reduced discretion was not considered then we would vote against remuneration in the future. The outcome? After several engagements with the company management and independent Chair, the ability to use discretion in the short-term compensation plans has been reduced and the company has committed to full disclosure in the event it is used. The maximum long-term incentive award level to the CEO has also been reduced from 400% to 300% of salary and a significant portion of awards will be based on performance conditions.
	Honeywell International	What is the issue? Rotation of Lead Director role and selection process; Remuneration structure complex and heavily cash based which is not aligned with long term shareholders.
	Market cap: \$69bn	
	Industrials	Why is it an issue? The Lead Director role is critical for companies that have a combined CEO/Chair and we believe the role should be held for more than one year to provide consistency of leadership. LGIM are advocates of simple remuneration plans to enable transparency and understanding. In addition, plans that are based majority on equity rather than cash are better aligned with company performance and long term shareholder interests. What did LGIM do? LGIM has been engaging with the company on these issues since 2014. The outcome? In September 2016, the company made the Lead Director role permanent and will disclose selection criteria in proxy statements going forward. Furthermore, the duties of the role will be expanded. The Company has also taken into account criticism around remuneration and simplified compensation plans, moving from cash-based Growth Plan to shares based. The long-term incentive plan has extended from a 2yr to a 3yr performance period and the weighting of stock option plans without performance conditions has been reduced.



**Securities Exchange Commission (SEC)
Consultation on Regulation S-K**

Market wide

What is the issue?

The SEC issued a consultation on whether business and financial disclosure requirements for listed companies in the US continue to elicit information that is material to investment and voting decisions.

Why is it an issue?

Reporting requirements of listed companies is critical as this is the information investors rely upon to make investment and voting decisions. Therefore when a review is underway it is important for key investors to opine on any changes proposed or to request amendments.

What did LGIM do?

We responded to the consultation and focused on areas such as the issue of short termism and removing the requirement for companies to disclose financial reports on a quarterly basis; the need for clear line-item disclosures on ESG issues to enable comparable and consistent information through promotion of standards such as the Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI); corporate tax planning; human capital management metrics disclosure; corporate political spending disclosure; diversity and skill set reporting.

The outcome?

SEC is continuing to assess responses.

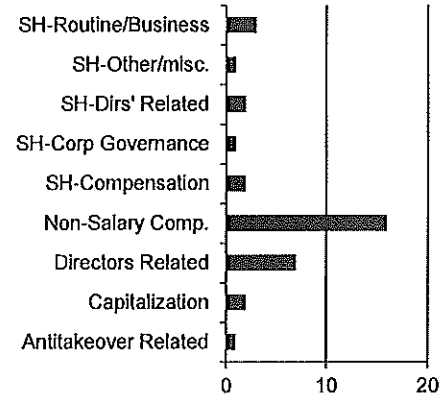
broad impact on the market?

As this is an SEC consultation that impacts the US at market level, being able to input our thoughts on the important topics listed above is an efficient way to make a broader impact on how we want to see companies reporting going forward as investor expectations and needs have evolved.

Q3 2016 VOTING SUMMARY NORTH AMERICA

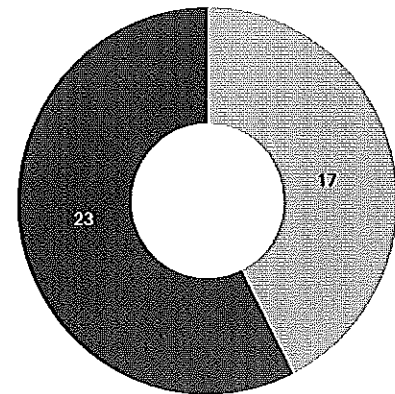
Proposal category	NORTH AMERICA		
	For	Against	Abstain
Anti-takeover Related	13	1	
Capitalisation	12	2	
Directors Related	222	7	22
Non-Salary Comp.	42	16	
Reorg. and Mergers	13		
Routine/Business	39		
SH-Compensation		2	
SH-Corp Governance	1	1	
SH-Dirs' Related		2	
SH-Gen Econ Issues			
SH-Health/Environ.	1	1	
SH-Other/misc.	1	3	
SH-Routine/Business			
SH-Soc./Human Rights			
Social Proposal	1		
Total	345	35	22
Total resolutions		402	
No. AGMs		29	
No. EGMs		11	
No. of companies voted		40	
No. of companies where voted against/abstain at least one resolution		23	
% no. of companies where at least one vote against		58	

Voting issue breakdown (against and abstain)



■ Votes against and abstain breakdown

Number of companies voted against/abstain



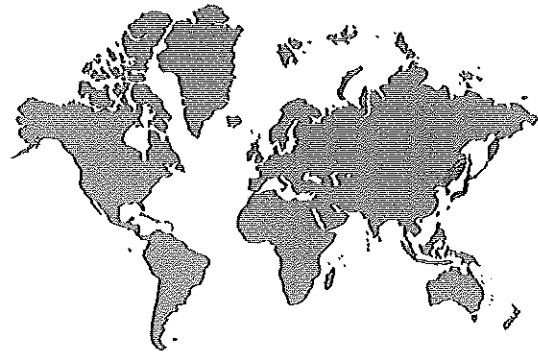
■ Number of companies supported

■ Number of companies where voted against/abstain at least one resolution

'LGIM voted against at least one resolution at **58%** of North American companies over the quarter.'

Regional updates

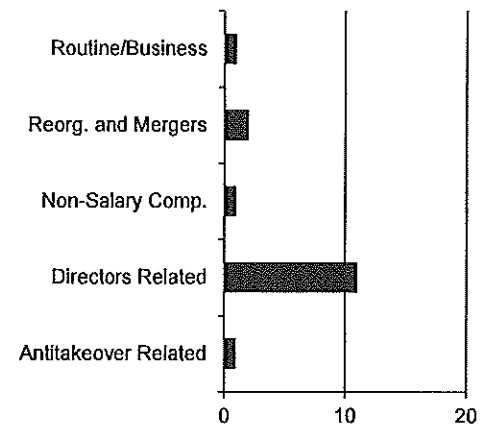
JAPAN



Q3 2016 VOTING SUMMARY JAPAN

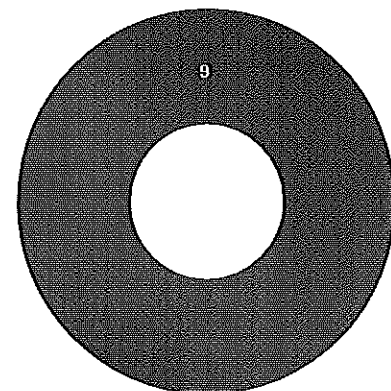
Proposal category	JAPAN		
	For	Against	Abstain
Anti-takeover Related		1	
Capitalisation			
Directors Related	80	11	
Non-Salary Comp.	8	1	
Reorg. and Mergers	3	2	
Routine/Business	7	1	
SH-Compensation			
SH-Corp Governance			
SH-Dirs' Related			
SH-Gen Econ Issues			
SH-Health/Environ.			
SH-Other/misc.			
SH-Routine/Business			
SH-Soc./Human Rights			
Social Proposal			
Total	98	16	
Total resolutions		114	
No. AGMs		9	
No. EGMs		0	
No. of companies voted		9	
No. of companies where voted against/abstain at least one resolution		9	
% no. of companies where at least one vote against		100	

Voting issue breakdown (against and abstain)



■ Votes against and abstain breakdown

Number of companies voted against/abstain



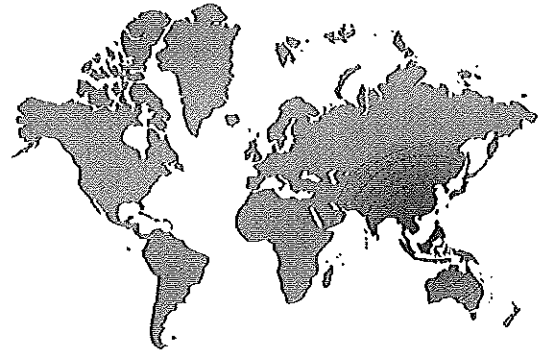
■ Number of companies supported

■ Number of companies where voted against/abstain at least one resolution

'LGIM voted against at least one resolution at **100%** of Japanese companies over the quarter.'

Regional updates

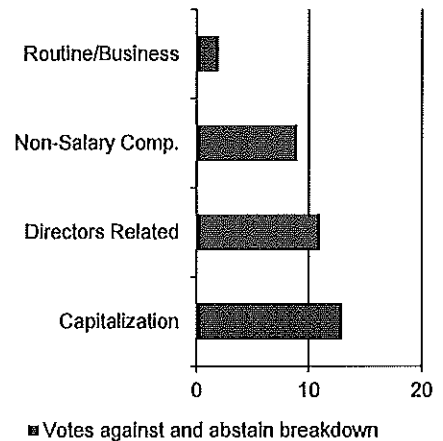
ASIA PACIFIC



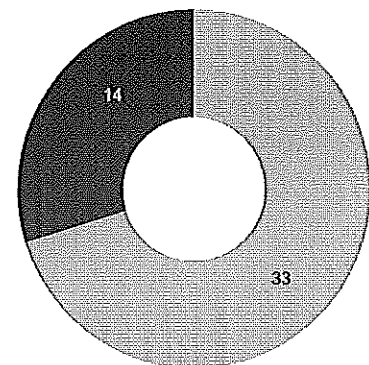
Q3 2016 VOTING SUMMARY ASIA PACIFIC

Proposal category	ASIA PACIFIC		
	For	Against	Abstain
Anti-takeover Related	2		
Capitalisation	29	13	
Directors Related	106	11	
Non-Salary Comp.	26	9	
Reorg. and Mergers	16		
Routine/Business	61	2	
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	240	35	
Total resolutions		275	
No. AGMs		30	
No. EGMs		18	
No. of companies voted		47	
No. of companies where voted against/abstain at least one resolution		14	
% no. of companies where at least one vote against		30	

Voting issue breakdown (against and abstain)



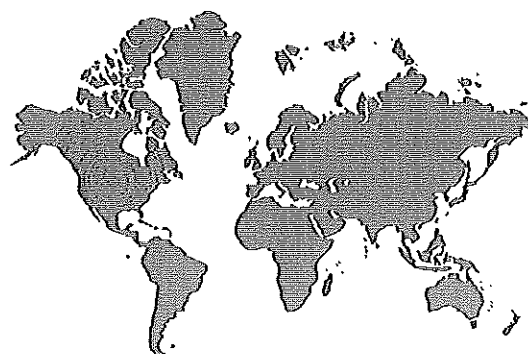
Number of companies voted against/abstain



'LGIM voted against at least one resolution at **30%** of Asia Pacific companies over the quarter.'

Regional updates

EMERGING MARKETS



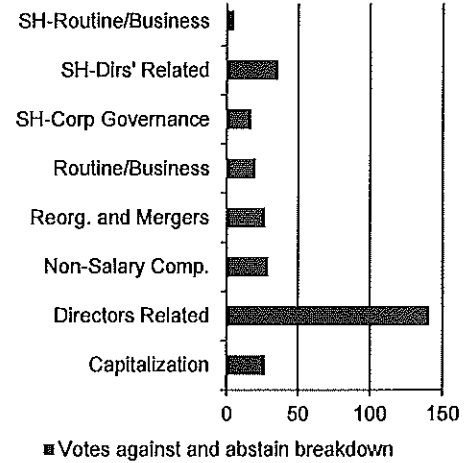
KEY COMPANY ENGAGEMENTS ON E (ENVIRONMENTAL), S (SOCIAL), G (GOVERNANCE) AND F (FINANCIAL) TOPICS

	Agricultural companies based in Emerging Markets	<p>What is the issue: Environmental and social issues relating to palm oil production raise questions over the industry's future growth model and significant reputational risk for companies.</p>
	Indonesia, Malaysia, Singapore	<p>Why is it an issue: Palm oil is one of the three highest causes of agricultural-linked deforestation. Alongside the devastation to biodiversity, deforestation and forest degradation are key contributors to rising atmospheric CO2 levels and climate change, which pose a significant systemic risk for long-term investors.</p>
	PT Astra Agro: £2bn Golden Agri Resources: £3bn Wilmar International Ltd: £11bn Sime Darby: £9bn Indo Agri Resources: £359m	<p>These risks have the potential to affect our clients' assets. The direct risks include government regulation around deforestation; loss of clients due to the development of more stringent sourcing policies by consumer goods companies and loss of a company's social license to operate. The indirect impacts include changes in weather patterns that affect conditions of palm trees and yields/production capacity.</p>
		<p>What did LGIM do? As a member of PRI working group on sustainable palm oil, LGIM joined an investor trip to Asia to meet with five of the largest palm oil companies across Indonesia and Malaysia. Discussions with management covered a range of issues, including the uptake and application of RSPO certification; the implementation of programmes to improve traceability of supply to the plantation level, to improve smallholder yields and to support smallholder uptake of RSPO; as well as the disbanding of the Indonesian Palm Oil Pledge (IPOP). Meetings were held with Indonesian government representatives including the Peatland Restoration Agency and the Office of the President.</p>
		<p>We pressed for more disclosure from those companies whose reporting is not to the standard necessary for investors to sufficiently assess management of business risk and impact related to palm oil production.</p>
		<p>We reiterated our request for RSPO certification to be sought by companies, where this is not yet the case, and outlined the importance of traceability to the plantation level. Finally, we discussed what further action needs to be taken by downstream consumer goods companies to support faster and more effective roll-out of sustainability practices in the palm oil sector.</p>
		<p>The outcome? Over time we have seen increased commitments from these companies, including more ambitious targets on RSPO certification; smallholder engagement and training targets; and targets for protecting high carbon reserve and high conservation areas. Programmes and processes for implementing these targets are also becoming more innovative and comprehensive. At the government level the announcement of moratorium on new concessions is encouraging, as too is the stated intention to strengthen ISPO, the Indonesian-led certification process. Effective implementation of these intentions remains to be seen, however overall what we do see is a clear shift of focus by government and companies in Indonesia to improving yields rather than expanding planted areas.</p>

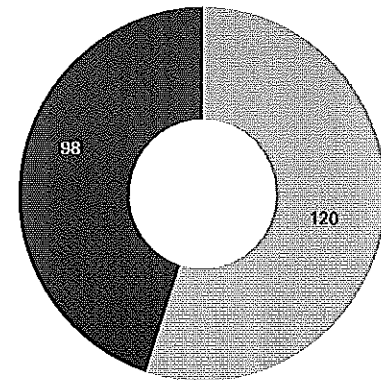
Q3 2016 VOTING SUMMARY EMERGING MARKETS

Proposal category	EMERGING MARKETS		
	For	Against	Abstain
Anti-takeover Related	1		
Capitalisation	328	27	
Directors Related	533	141	14
Non-Salary Comp.	108	29	
Reorg. and Mergers	142	27	
Routine/Business	641	20	
SH-Compensation			
SH-Corp Governance		17	
SH-Dirs' Related	1	36	1
SH-Gen Econ Issues			
SH-Health/Environ.			
SH-Other/misc.			
SH-Routine/Business	1	5	
SH-Soc./Human Rights			
Social Proposal			
Total	1755	302	15
Total resolutions		2072	
No. AGMs		130	
No. EGMs		107	
No. of companies voted		218	
No. of companies where voted against/abstain at least one resolution		98	
% no. of companies where at least one vote against		45	

Voting issue breakdown (against and abstain)



Number of companies voted against/abstain



■ Number of companies supported
 ■ Number of companies where voted against/abstain at least one resolution

‘LGIM voted against at least one resolution at **45%** of emerging market companies over the quarter.

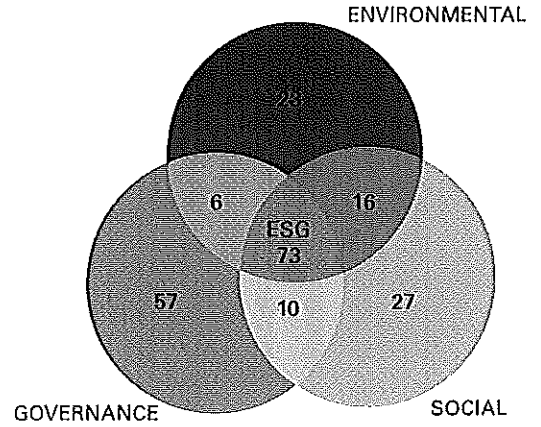
Source for all data LGIM. The votes above represents against management voting instructions for our main FTSE pooled index funds

Global summary

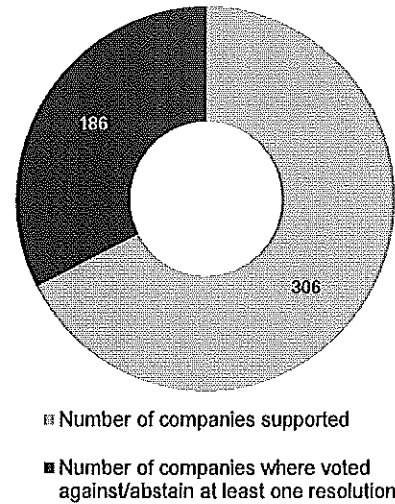
VOTING TOTALS

Proposal category	TOTAL
Anti-takeover Related	129
Capitalisation	927
Directors Related	2217
Non-Salary Comp.	462
Reorg. and Mergers	243
Routine/Business	1422
SH-Compensation	2
SH-Corp Governance	19
SH-Dirs' Related	42
SH-Gen Econ Issues	
SH-Health/Environ.	2
SH-Other/misc.	4
SH-Routine/Business	7
SH-Soc./Human Rights	
Social Proposal	1
Total resolutions	5477
No. AGMs	350
No. EGMs	171
No. of companies voted	492

Frequency of ESG topics



Number of companies voted against/abstain



COMPANY ENGAGEMENT STATISTICS

Total number of companies	60
Total number of meetings	73
Number of meetings where environmental topics discussed	23
Number of meetings where social topics discussed	27
Number of meetings where governance topics discussed	57
Number of meetings where other topics (e.g. financial and strategy) discussed	33
% of meetings including environmental and social issues discussed	22%

Top 3 engagement themes this quarter:

Board composition

Strategy

Remuneration

CONTACT US

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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