

VOTING POLICY

We introduced our own customised voting policy in the second quarter of 2014. This is run in parallel with ISS's policy recommendations. The majority of areas in which our policy differs from that of ISS are within the smaller company sector, where we are a leading UK participant, and relates to capital raising with pre-emptive shareholder rights and the composition of boards; these issues 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 review our policy annually to ensure it is consistent with current best practice. Below are the specifics of the policy. It is worth noting that we regard a smaller company as having a market capitalisation of £1.5bn or less.

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.
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 if they protect or increase shareholder value.
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. However, in a few limited cases we may support the management if they are making the issuance without pre-emptive rights in the course of a re-financing exercise.
Political Contributions	Vote for.	Vote against. We want 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	213	
Where we voted in line with Management	202	94.8
Where we have not voted in line with Management	11	5.2
Where we have voted against ISS's recommendation	14	6.6

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	3	3	1
Capitalisation	0	2	1
Miscellaneous	3	0	0
Remuneration	0	4	4
Reorganisations, mergers & anti-takeover	0	0	0
Routine/Business	5	5	0
Shareholder proposals	0	0	0
Total	11	14	6

Sources: Majedie, ISS (Institutional Shareholder Services)

VOTING BREAKDOWN

SECURITY NAME	MEETING DATE	MEETING TYPE	MAJEDIE VOTE	IN LINE WITH ISS
ACCROL GROUP HOLDINGS	08 Dec 2017	EGM	Voted for all	Yes
ASSOCIATED BRITISH FOODS*	08 Dec 2017	AGM	Against Resolution 15; Abstain on Resolutions 7, 11	No
BERKELEY ENERGIA*	28 Nov 2017	AGM	Against Resolution 6	No
BHP BILLITON*	19 Oct 2017	AGM	Against Resolutions 22, 23	Yes
CENTRAL ASIA METALS	11 Oct 2017	EGM	Voted for all	Yes
COMPTOIR GROUP	16 Oct 2017	EGM	Voted for all	Yes
DFS FURNITURE*	01 Dec 2017	AGM	Against Resolution 17	No
DUNELM	21 Nov 2017	AGM	Voted for all	Yes
ECKOH	16 Oct 2017	EGM	Voted for all	Yes
FASTJET*	18 Oct 2017	EGM	Voted for all	No
GRESHAM COMPUTING*	11 Dec 2017	EGM	Voted for all	No
HAYS*	15 Nov 2017	AGM	Against Resolution 17	No
HUMMINGBIRD RESOURCES	13 Dec 2017	EGM	Voted for all	Yes
IMAGINATION TECHNOLOGIES GROUP	31 Oct 2017	EGM	Voted for all	Yes
IMAGINATION TECHNOLOGIES GROUP	31 Oct 2017	Court	Voted for all	Yes
IMAGINATION TECHNOLOGIES GROUP*	26 Oct 2017	AGM	Voted for all	No
KONINKLIJKE KPN	06 Dec 2017	EGM	Voted for all	Yes
NORSEMAN GOLD*	29 Dec 2017	AGM	Withhold on Resolutions 1, 2, 3	Yes
PETRA DIAMONDS*	24 Nov 2017	AGM	Against Resolution 7	No
PHOTO-ME INTERNATIONAL	25 Oct 2017	AGM	Voted for all	Yes
PREMIER OIL	07 Dec 2017	EGM	Voted for all	Yes
RANK GROUP*	19 Oct 2017	AGM	Against Resolution 15	No
SPEYMILL DEUTSCHE	20 Dec 2017	AGM	Voted for all	Yes
SYLVANIA PLATINUM	17 Nov 2017	AGM	Voted for all	Yes
VICTORIA OIL & GAS	13 Nov 2017	EGM	Voted for all	Yes
VOLUTION*	13 Dec 2017	AGM	Against Resolution 13	No

Source: Majedie

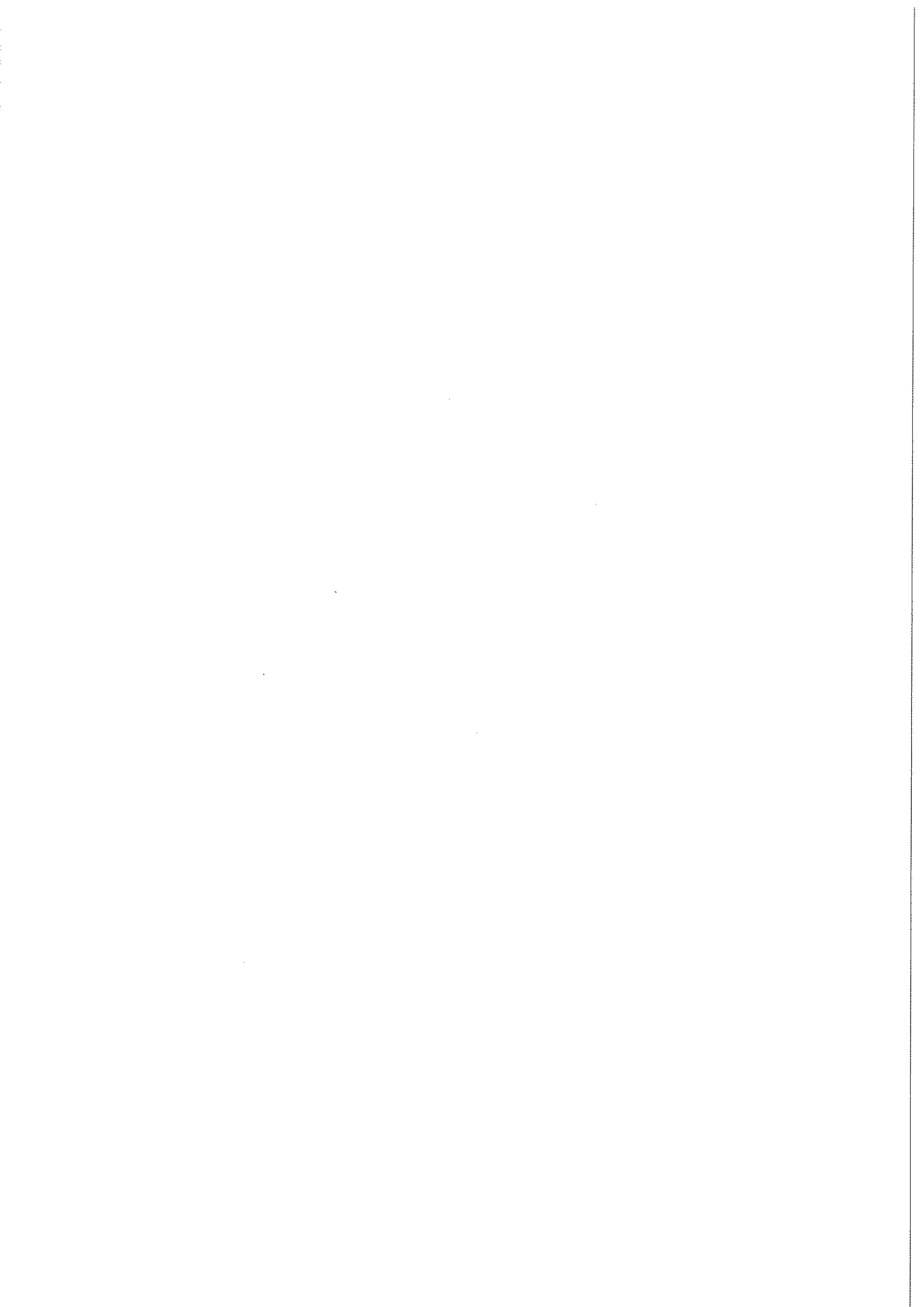
* See notes overleaf

VOTING NOTES

- Associated British Foods, AGM: ISS recommended we vote against Resolution 7 (regarding the re-election of Javier Ferrán as a non executive director who served on the Remuneration Committee and as Senior Independent Director, as he was no longer considered independent by ISS due to his tenure exceeding nine years) and abstain on Resolution 11 (which concerned the re-election of Board Chairman Charles Sinclair, as Mr. Sinclair was also Chairman of the Remuneration Committee, and thus unaligned with the UK Corporate Governance Code), while the Board recommended support for both. We chose to abstain on both Resolutions, to signal that the arrangements were not best practice and that perhaps greater independence of non executives at this family controlled business should be encouraged. Overall though, we are supportive of the company's strategy. On Resolution 15, our guidelines are against the granting of political donations.
- Berkeley Energia, AGM: On Resolution 2, Adam Parker, one of Majedie's co-founders and who retired from Majedie in 2015, was appointed as a non executive director (and as the Chair of the Remuneration and Nomination Committees) alongside another, to deal with Remuneration Committee issues raised last year. We believe the company is taking these issues seriously and that a number of issues raised by ISS did not have merit or suggested insufficient understanding of this small, pre-production uranium mining company. Consequently, we decided to vote in favour of the Remuneration Report, against the recommendation of ISS. On Resolution 6, we voted against as it concerned approval of the 'Spill Resolution', which would only be taken up if at least 25% of the votes cast on the Resolution to adopt the Remuneration Report were cast against. On Resolution 7, although the company had not provided a specific compelling reason for the authority to issue up to 10% of the company's issued capital, in line with all other holdings of this nature, we usually vote in favour (if we have confidence that the management understand shareholder value), as it gives some flexibility for equity funding if required given a lack of internally generated cashflows. We therefore voted in favour to approve the issuance, against the recommendation of ISS.
- BHP Billiton, AGM: We voted against Resolutions 22 and 23, which were shareholder proposals, in line with the recommendations of the Board and ISS. The former proposal had sought to amend the Constitution, which ISS described as potentially broad with no regulatory framework to oversee shareholder proposals. The latter proposal requested a review of the company in relation to public policy advocacy on climate change and energy. ISS had noted the Board had committed to some of the key features of the proposal, and as such, asserted that the Board should be given time to consider the results of the review being undertaken.
- DFS Furniture, AGM: On Resolution 17, our guidelines are against the granting of political donations. On Resolution 6, we voted in favour of the election of the Chairman, whereas ISS had recommended a vote of abstention. We believed the Chairman's holding of a total of three chair roles was not a cause for concern.
- FastJet, EGM: We supported the Board in voting for Resolution 3, which concerned the authorisation of the company to issue equity without pre-emptive rights, despite the proposed amount exceeding 10% of issued share capital. A vote in favour was against the recommendation of ISS, however we were supportive of the management's strategy.
- Gresham Computing, EGM: On Resolution 1, we voted to approve the Deferred Share Bonus Plan, against the recommendation of ISS. The Fund Manager was engaged in the process and is supportive of the plan, which broadens equity ownership and is positive for the company.
- Hays, AGM: On Resolutions 17, our guidelines are against the granting of political donations.
- Imagination Technologies Group, AGM: On Resolution 2, we voted to approve the Remuneration Report, against the recommendation of ISS, who had flagged the non-disclosure of financial targets under the annual

bonus scheme. We voted in favour as we were supportive of management and the company. We also did not want to have any short-term influence on takeover proceedings.

- Norseman Gold, AGM: We instructed to 'Withhold' on all Resolutions, as the company is delisted and is in quasi-administration.
- Petra Diamonds, AGM: On Resolution 7, we voted against the re-election of Christoffel Dippenaar (the CEO), which was against the recommendation of the Board and ISS. Operational execution had been consistently poor versus budget, expected time lines or delivery. Fresh leadership with an improved grasp of operational execution is required. Nonetheless, Mr. Dippenaar was re-elected at the AGM.
- Rank Group, AGM: On Resolution 15, our guidelines are against the granting of political donations.
- Volution, AGM: On Resolution 13, our guidelines are against the granting of political donations. On Resolution 3, we voted to approve the Remuneration Report, against the recommendation of ISS, as we believed the management should be incentivised to perform.



HARRIS ASSOCIATES L.P.

Vote Summary Report

Date range covered: 10/01/2017 to 12/31/2017

Location(s): Harris Associates L.P.

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

Koninklijke Philips NV

Meeting Date: 10/20/2017 Country: Netherlands Primary Security ID: N7637U112
 Record Date: 09/22/2017 Meeting Type: Special Ticker: PHIA

Primary CUSIP: N6817P109 Primary ISIN: NL0000009538 Primary SEDOL: 5986622

Shares Voted: 84,733

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
	Special Meeting	Mgmt				
1	Elect M.J. van Ginneken to Management Board	Mgmt	For	For	Refer	For
2	Amend Article 10 Re: Setting the Required Minimum Number of Members of the Board of Management	Mgmt	For	For	Refer	For

Oracle Corporation

Meeting Date: 11/15/2017 Country: USA Primary Security ID: 68389X105
 Record Date: 09/18/2017 Meeting Type: Annual Ticker: ORCL

Primary CUSIP: 68389X105 Primary ISIN: US68389X1054 Primary SEDOL: 2661568

Shares Voted: 86,500

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
1.1	Elect Director Jeffrey S. Berg	Mgmt	For	For	For	For
1.2	Elect Director Michael J. Boskin	Mgmt	For	Withhold	For	For
1.3	Elect Director Safra A. Catz	Mgmt	For	For	For	For
1.4	Elect Director Bruce R. Chizen	Mgmt	For	Withhold	For	For
1.5	Elect Director George H. Conrades	Mgmt	For	For	For	For
1.6	Elect Director Lawrence J. Ellison	Mgmt	For	For	For	For
1.7	Elect Director Hector Garcia-Molina	Mgmt	For	For	For	For
1.8	Elect Director Jeffrey O. Henley	Mgmt	For	For	For	For
1.9	Elect Director Mark V. Hurd	Mgmt	For	For	For	For
1.10	Elect Director Renee J. James	Mgmt	For	For	For	For
1.11	Elect Director Leon E. Panetta	Mgmt	For	For	For	For
1.12	Elect Director Naomi O. Seligman	Mgmt	For	For	For	For

Vote Summary Report

Date range covered: 10/01/2017 to 12/31/2017

Location(s): Harris Associates L.P.

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

Oracle Corporation

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
2	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	Against	For	For
3	Advisory Vote on Say on Pay Frequency	Mgmt	One Year	One Year	One Year	One Year
4	Amend Omnibus Stock Plan	Mgmt	For	For	Refer	For
5	Ratify Ernst & Young LLP as Auditors	Mgmt	For	For	For	For
6	Political Contributions Disclosure	SH	Against	For	Against	Against
7	Gender Pay Gap	SH	Against	For	Against	Against
8	Amend Proxy Access Right	SH	Against	For	Against	Against



Vote Summary Report

Date range covered: 10/01/2017 to 12/31/2017

Location(s): Massachusetts Financial Services

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

Sky plc

Meeting Date: 10/12/2017	Country: United Kingdom	Primary Security ID: G8212B105	Meeting ID: 1174582
Record Date: 10/10/2017	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 Remuneration Policy	Mgmt	For	For
3	Approve Remuneration Report	Mgmt	For	Against
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	Elect Katrin Wehr-Seiter as Director	Mgmt	For	For
12	Re-elect James Murdoch as Director	Mgmt	For	Against
13	Re-elect Chase Carey as Director	Mgmt	For	For
14	Re-elect John Nallen as Director	Mgmt	For	For
15	Reappoint Deloitte LLP as Auditors and Authorise Their Remuneration	Mgmt	For	For
16	Authorise EU Political Donations and Expenditure	Mgmt	For	For
17	Authorise Issue of Equity with Pre-emptive Rights	Mgmt	For	For
18	Authorise Issue of Equity without Pre-emptive Rights	Mgmt	For	For
19	Authorise Issue of Equity without Pre-emptive Rights in Connection with an Acquisition or Other Capital Investment	Mgmt	For	For
20	Authorise the Company to Call General Meeting with Two Weeks' Notice	Mgmt	For	For

Vote Summary Report

Date range covered: 10/01/2017 to 12/31/2017

Location(s): Massachusetts Financial Services

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

Delphi Automotive PLC

Meeting Date: 11/07/2017	Country: Jersey	Primary Security ID: G27823106	Meeting ID: 1179909
Record Date: 10/05/2017	Meeting Type: Special	Ticker: DLPH	
Primary CUSIP: N/A	Primary ISIN: JE00B783TY65	Primary SEDOL: B783TY6	

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1	Change Company Name to Aptiv PLC	Mgmt	For	For

Coty Inc.

Meeting Date: 11/08/2017	Country: USA	Primary Security ID: 222070203	Meeting ID: 1177586
Record Date: 09/11/2017	Meeting Type: Annual	Ticker: COTY	
Primary CUSIP: 222070203	Primary ISIN: US2220702037	Primary SEDOL: 888SMJ2	

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1.1	Elect Director Lambertus J.H. Becht	Mgmt	For	For
1.2	Elect Director Sabine Chalmers	Mgmt	For	For
1.3	Elect Director Joachim Faber	Mgmt	For	For
1.4	Elect Director Olivier Goudet	Mgmt	For	For
1.5	Elect Director Peter Harf	Mgmt	For	For
1.6	Elect Director Paul S. Michaels	Mgmt	For	For
1.7	Elect Director Camillo Pane	Mgmt	For	For
1.8	Elect Director Erhard Schoewel	Mgmt	For	For
1.9	Elect Director Robert Singer	Mgmt	For	For
2	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	For
3	Ratify Deloitte & Touche LLP as Auditors	Mgmt	For	For

Pernod Ricard

Meeting Date: 11/09/2017	Country: France	Primary Security ID: F72027109	Meeting ID: 1177678
Record Date: 11/06/2017	Meeting Type: Annual/Special	Ticker: RI	
Primary CUSIP: F72027109	Primary ISIN: FR0000120693	Primary SEDOL: 4682329	

Vote Summary Report

Date range covered: 10/01/2017 to 12/31/2017

Location(s): Massachusetts Financial Services

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

Pernod Ricard

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
	Ordinary Business	Mgmt		
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 2.02 per Share	Mgmt	For	For
4	Approve Auditors' Special Report on Related-Party Transactions	Mgmt	For	For
5	Reelect Anne Lange as Director	Mgmt	For	For
6	Reelect Veronica Vargas as Director	Mgmt	For	For
7	Reelect Paul Ricard as Director	Mgmt	For	For
8	Renew Appointment of Deloitte & Associates as Auditor	Mgmt	For	For
9	Approve Remuneration of Directors in the Aggregate Amount of EUR 970,000	Mgmt	For	For
10	Approve Remuneration Policy of Alexandre Ricard, Chairman and CEO	Mgmt	For	For
11	Non-Binding Vote on Compensation of Alexandre Ricard, Chairman and CEO	Mgmt	For	For
12	Authorize Repurchase of Up to 10 Percent of Issued Share Capital	Mgmt	For	For
	Extraordinary Business	Mgmt		
13	Authorize Decrease in Share Capital via Cancellation of Repurchased Shares	Mgmt	For	For
14	Authorize Issuance of Equity or Equity-Linked Securities with Preemptive Rights up to Aggregate Nominal Amount of EUR 135 Million	Mgmt	For	For
15	Authorize Issuance of Equity or Equity-Linked Securities without Preemptive Rights up to Aggregate Nominal Amount of EUR 41 Million	Mgmt	For	For
16	Authorize Board to Increase Capital in the Event of Additional Demand Related to Delegation Submitted to Shareholder Vote Above	Mgmt	For	For
17	Approve Issuance of Equity or Equity-Linked Securities for up to 20 Percent of Issued Capital Per Year for Private Placements, up to Aggregate Nominal Amount of EUR 41 Million	Mgmt	For	For

Vote Summary Report

Date range covered: 10/01/2017 to 12/31/2017

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
18	Authorize Capital Increase of up to 10 Percent of Issued Capital for Contributions in Kind	Mgmt	For	For
19	Authorize Capital Increase of up to 10 Percent of Issued Capital for Future Exchange Offers	Mgmt	For	For
20	Authorize Capitalization of Reserves of Up to EUR 135 Million for Bonus Issue or Increase in Par Value	Mgmt	For	For
21	Authorize Capital Issuances for Use in Employee Stock Purchase Plans	Mgmt	For	For
22	Authorize Filing of Required Documents/Other Formalities	Mgmt	For	For

Oracle Corporation

Meeting Date: 11/15/2017

Country: USA

Primary Security ID: 68389X105

Meeting ID: 1177597

Record Date: 09/18/2017

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 Michael J. Boskin	Mgmt	For	For
1.3	Elect Director Safra A. Catz	Mgmt	For	For
1.4	Elect Director Bruce R. Chizen	Mgmt	For	For
1.5	Elect Director George H. Conrades	Mgmt	For	For
1.6	Elect Director Lawrence J. Ellison	Mgmt	For	For
1.7	Elect Director Hector Garcia-Molina	Mgmt	For	For
1.8	Elect Director Jeffrey O. Henley	Mgmt	For	For
1.9	Elect Director Mark V. Hurd	Mgmt	For	For
1.10	Elect Director Renee J. James	Mgmt	For	For
1.11	Elect Director Leon E. Panetta	Mgmt	For	For
1.12	Elect Director Naomi O. Seligman	Mgmt	For	For
2	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	Against
3	Advisory Vote on Say on Pay Frequency	Mgmt	One Year	One Year

Vote Summary Report

Date range covered: 10/01/2017 to 12/31/2017

Location(s): Massachusetts Financial Services

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

Oracle Corporation

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
4	Amend Omnibus Stock Plan	Mgmt	For	Against
5	Ratify Ernst & Young LLP as Auditors	Mgmt	For	For
6	Political Contributions Disclosure	SH	Against	For
7	Gender Pay Gap	SH	Against	For
8	Amend Proxy Access Right	SH	Against	Against

Akzo Nobel NV

Meeting Date: 11/30/2017

Country: Netherlands

Primary Security ID: N01803100

Meeting ID: 1181411

Record Date: 11/02/2017

Meeting Type: Special

Ticker: AKZA

Primary CUSIP: N01803100

Primary ISIN: NL0000009132

Primary SEDOL: 5458314

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
	Special Meeting	Mgmt		
1	Elect M.J. de Vries to Management Board	Mgmt	For	For
2a	Elect P.W. Thomas to Supervisory Board	Mgmt	For	For
2b	Elect S.M. Clark to Supervisory Board	Mgmt	For	For
2c	Elect M. Jaski to Supervisory Board	Mgmt	For	For
3	Approve Spin-Off with Specialty Chemicals Business	Mgmt	For	For

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

Meeting Date: 12/05/2017

Country: Mexico

Primary Security ID: P49501201

Meeting ID: 1185980

Record Date: 11/22/2017

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
	Ordinary Business	Mgmt		
1	Approve Acquisition of Relevant Assets Re: Grupo Financiero Interacciones SAB de CV	Mgmt	For	For

Vote Summary Report

Date range covered: 10/01/2017 to 12/31/2017

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	Accept Auditor's Report on Fiscal Situation of Company	Mgmt		
3	Authorize Board to Ratify and Execute Approved Resolutions	Mgmt	For	For

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

Meeting Date: 12/05/2017 Country: Mexico Primary Security ID: P49501201 Meeting ID: 1185981
Record Date: 11/22/2017 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	Approve Financial Statements as of September 30, 2017	Mgmt	For	For
2	Approve Acquisition of Grupo Financiero Interacciones SAB de CV	Mgmt	For	For
3	Amend Article 8 to Reflect Changes in Capital	Mgmt	For	For
4	Authorize Board to Ratify and Execute Approved Resolutions	Mgmt	For	For

Medtronic plc

Meeting Date: 12/08/2017 Country: Ireland Primary Security ID: G5960L103 Meeting ID: 1171276
Record Date: 10/10/2017 Meeting Type: Annual Ticker: MDT

Primary CUSIP: 585055106 Primary ISIN: IE008TNIY115 Primary SEDOL: BTNIY11

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

Vote Summary Report

Date range covered: 10/01/2017 to 12/31/2017

Location(s): Massachusetts Financial Services

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

Medtronic plc

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
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
2	Approve PricewaterhouseCoopers LLP as Auditors and Authorize Audit Committee to Fix Their Remuneration	Mgmt	For	For
3	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	For
4	Amend Omnibus Stock Plan	Mgmt	For	For

Cisco Systems, Inc.

Meeting Date: 12/11/2017

Country: USA

Primary Security ID: 17275R102

Meeting ID: 1183066

Record Date: 10/13/2017

Meeting Type: Annual

Ticker: CSCO

Primary CUSIP: 17275R102

Primary ISIN: US17275R1023

Primary SEDOL: 2198163

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 Amy L. Chang	Mgmt	For	For
1e	Elect Director John L. Hennessy	Mgmt	For	For
1f	Elect Director Kristina M. Johnson	Mgmt	For	For
1g	Elect Director Roderick C. McGeary	Mgmt	For	For
1h	Elect Director Charles H. Robbins	Mgmt	For	For
1i	Elect Director Arun Sarin	Mgmt	For	For

Vote Summary Report

Date range covered: 10/01/2017 to 12/31/2017

Location(s): Massachusetts Financial Services

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

Cisco Systems, Inc.

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1j	Elect Director Brenton L. Saunders	Mgmt	For	For
1k	Elect Director Steven M. West	Mgmt	For	For
2	Amend Omnibus Stock Plan	Mgmt	For	For
3	Amend Executive Incentive Bonus Plan	Mgmt	For	For
4	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	For
5	Advisory Vote on Say on Pay Frequency	Mgmt	One Year	One Year
6	Ratify PricewaterhouseCoopers LLP as Auditors	Mgmt	For	For
7	Report on Lobbying Payments and Policy	SH	Against	For

AutoZone, Inc.

Meeting Date: 12/20/2017

Country: USA

Primary Security ID: 053332102

Meeting ID: 1183890

Record Date: 10/23/2017

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 Earl G. Graves, Jr.	Mgmt	For	For
1.4	Elect Director Enderson Guimaraes	Mgmt	For	For
1.5	Elect Director J. R. Hyde, III	Mgmt	For	For
1.6	Elect Director D. Bryan Jordan	Mgmt	For	For
1.7	Elect Director W. Andrew McKenna	Mgmt	For	For
1.8	Elect Director George R. Mrkonjc, Jr.	Mgmt	For	For
1.9	Elect Director Luis P. Nieto	Mgmt	For	For
1.10	Elect Director William C. Rhodes, III	Mgmt	For	For
2	Ratify Ernst & Young LLP as Auditors	Mgmt	For	For
3	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	For
4	Advisory Vote on Say on Pay Frequency	Mgmt	One Year	One Year

Vote Summary Report

Date range covered : 10/01/2017 to 12/31/2017

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

Barratt Developments plc

Meeting Date: 11/15/2017

Country: United Kingdom

Meeting Type: Annual

Ticker: BDEV

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
1	Accept Financial Statements and Statutory Reports	Mgmt	For	For	For	For
2	Approve Remuneration Policy	Mgmt	For	For	For	For
3	Approve Remuneration Report	Mgmt	For	For	For	For
4	Approve Final Dividend	Mgmt	For	For	For	For
5	Approve Special Dividend	Mgmt	For	For	For	For
6	Elect Jessica White as Director	Mgmt	For	For	For	For
7	Re-elect John Allan as Director	Mgmt	For	For	For	For
8	Re-elect David Thomas as Director	Mgmt	For	For	For	For
9	Re-elect Steven Boyes as Director	Mgmt	For	For	For	For
10	Re-elect Richard Akers as Director	Mgmt	For	For	For	For
11	Re-elect Tessa Barnford as Director	Mgmt	For	For	For	For
12	Re-elect Nina Bibby as Director	Mgmt	For	For	For	For
13	Re-elect Jock Lennox as Director	Mgmt	For	Against	For	For
14	Reappoint Deloitte LLP as Auditors	Mgmt	For	For	Against	For
15	Authorise the Audit Committee to Fix Remuneration of Auditors	Mgmt	For	For	Against	For
16	Authorise EU Political Donations and Expenditure	Mgmt	For	For	For	For
17	Amend Long Term Performance Plan	Mgmt	For	For	For	For

Vote Summary Report

Date range covered : 10/01/2017 to 12/31/2017

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

Barratt Developments plc

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
18	Amend Deferred Bonus Plan	Mgmt	For	For	For	For
19	Authorise Issue of Equity with Pre-emptive Rights	Mgmt	For	For	For	For
20	Authorise Issue of Equity without Pre-emptive Rights	Mgmt	For	For	For	For
21	Authorise Market Purchase of Ordinary Shares	Mgmt	For	For	For	For
22	Authorise the Company to Call General Meeting with Two Weeks' Notice	Mgmt	For	For	For	For

Microsoft Corporation

Meeting Date: 11/29/2017

Country: USA

Meeting Type: Annual

Ticker: MSFT

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
1.1	Elect Director William H. Gates, III	Mgmt	For	For	For	For
1.2	Elect Director Reid G. Hoffman	Mgmt	For	For	For	For
1.3	Elect Director Hugh F. Johnston	Mgmt	For	For	For	For
1.4	Elect Director Teri L. List-Stoll	Mgmt	For	For	For	For
1.5	Elect Director Satya Nadella	Mgmt	For	For	For	For
1.6	Elect Director Charles H. Noski	Mgmt	For	For	Refer	For
1.7	Elect Director Helmut Panke	Mgmt	For	For	Refer	For

Vote Summary Report

Date range covered : 10/01/2017 to 12/31/2017

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

Microsoft Corporation

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
1.8	Elect Director Sandra E. Peterson	Mgmt	For	For	For	For
1.9	Elect Director Penny S. Pritzker	Mgmt	For	For	For	For
1.10	Elect Director Charles W. Scharf	Mgmt	For	For	For	For
1.11	Elect Director Arne M. Sorenson	Mgmt	For	For	For	For
1.12	Elect Director John W. Stanton	Mgmt	For	For	For	For
1.13	Elect Director John W. Thompson	Mgmt	For	For	For	For
1.14	Elect Director Padmasree Warrior	Mgmt	For	For	For	For
2	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	For	For	For
3	Advisory Vote on Say on Pay Frequency	Mgmt	One Year	One Year	One Year	One Year
4	Ratify Deloitte & Touche LLP as Auditors	Mgmt	For	For	For	For
5	Amend Executive Incentive Bonus Plan	Mgmt	For	For	For	For
6	Approve Omnibus Stock Plan	Mgmt	For	For	For	For

LUKOIL PJSC

Meeting Date: 12/04/2017

Country: Russia

Meeting Type: Special

Ticker: LKOH

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
	Meeting for ADR Holders	Mgmt				

Vote Summary Report

Date range covered : 10/01/2017 to 12/31/2017

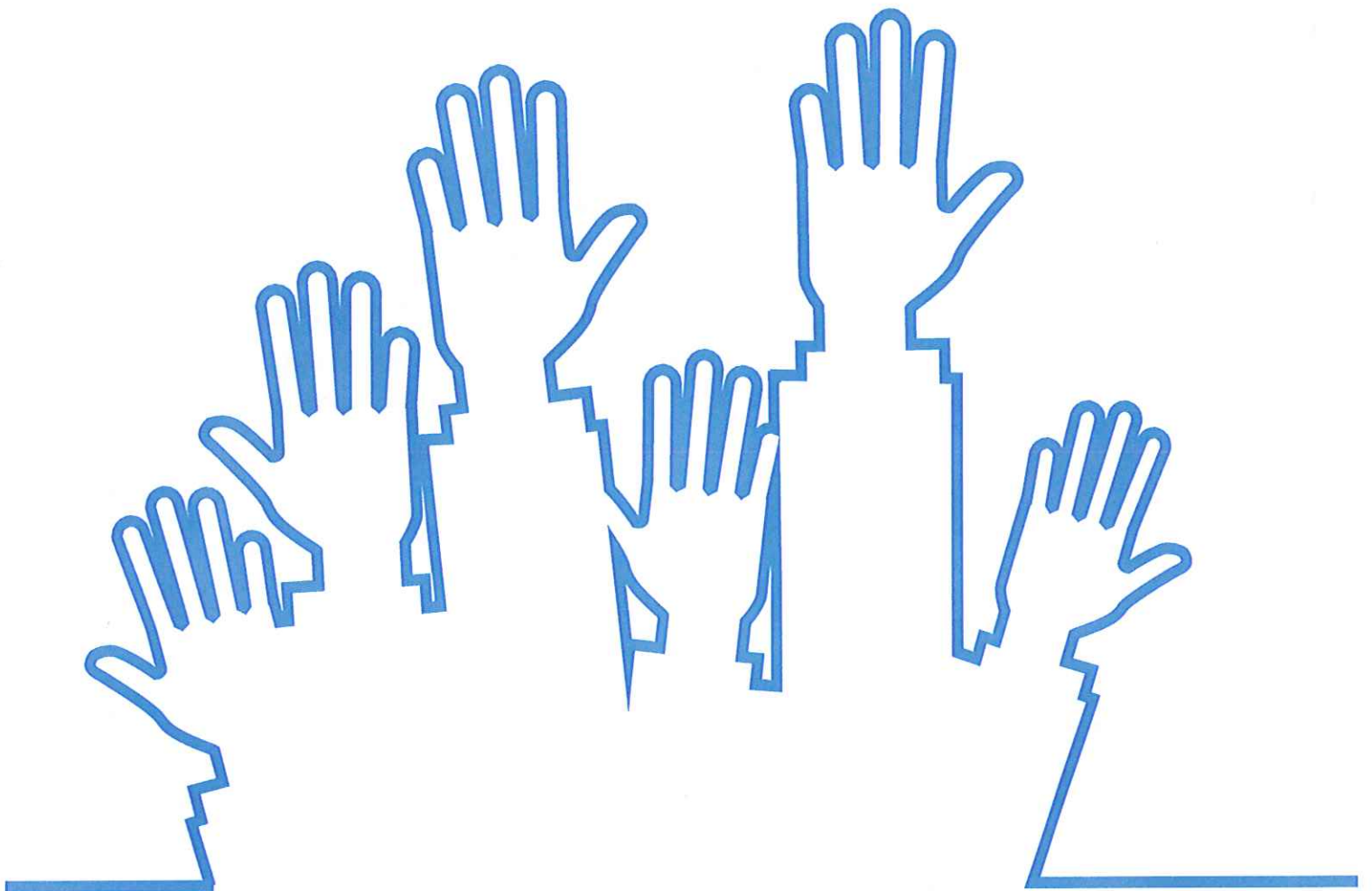
Institution Account(s): Investec Funds Series iii - Global Dynamic

LUKOIL PJSC

Proposal Number	Proposal Text	Proponent	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
1	Approve Interim Dividends of RUB 85 for First Nine Months of Fiscal 2017	Mgmt	For	For	For	For
2	Approve Remuneration of Directors	Mgmt	For	For	For	For
3	Approve Company's Membership in Russian Union of Industrialists and Entrepreneurs	Mgmt	For	For	For	For
4	Approve Related-Party Transaction Re: Investment in Lukoil International GmbH	Mgmt	For	For	Refer	For

Active ownership

Q4 2017 ESG Impact Report

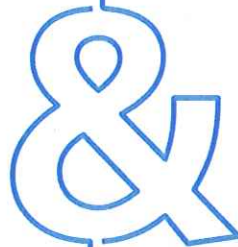


Active ownership means using our scale and influence to bring about **real, positive change to create sustainable investor value.**

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

1 Holding boards to account

To be successful, companies need to have people at the helm who are well equipped to create resilient long-term growth. By voting and engaging directly with companies, we encourage management to control risks and benefit from emerging opportunities.

We seek to protect and enhance our clients' assets by engaging with companies and holding management to account for their decisions. Voting is an important tool in this process, and one which we use extensively.

2 Creating sustainable value

We believe it is in the interest of all stakeholders for companies to build sustainable business models that are also beneficial to society. We work to prevent market behaviour that destroys long-term value creation.

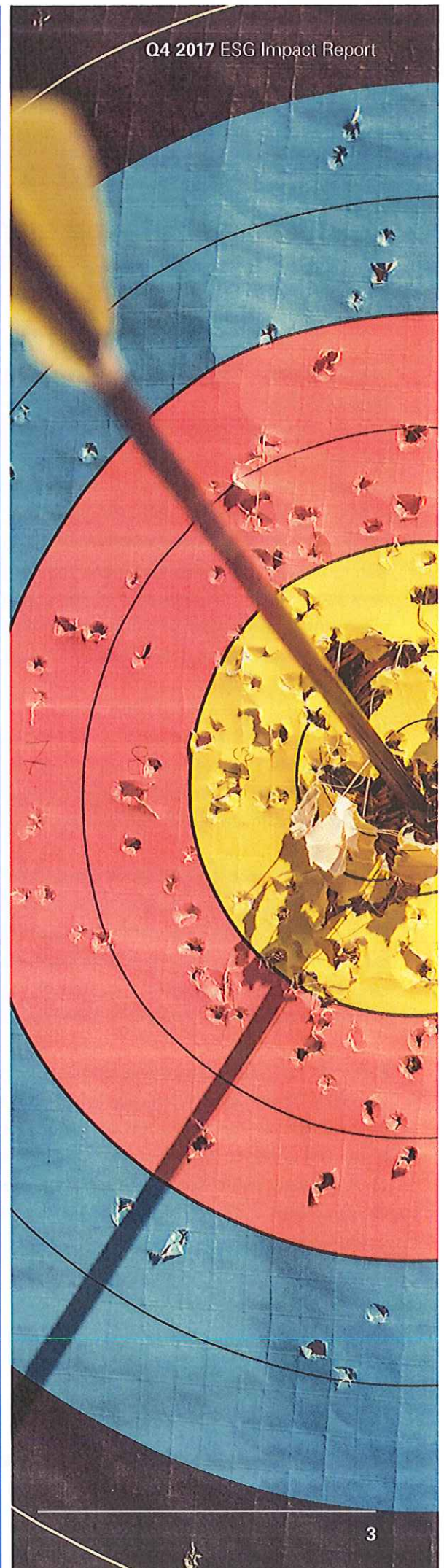
LGIM wants to safeguard and grow our clients' assets by ensuring that companies are well positioned for sustainable growth. Our active and enhanced index mandates incorporate ESG factors in the investment process and we consider ESG factors when voting our holdings in all strategies.

We engage directly and collaboratively with companies to highlight key challenges and opportunities, and to support strategies that can deliver long-term success.

3 Promoting market resilience

As a long-term investor for our clients, it is essential that markets are able to generate sustainable value. In doing so, companies should become more resilient to change and therefore benefit the whole market.

We use our scale and influence to ensure that issues impacting the value of our clients' investments are recognised and appropriately managed. This includes working with key decision-makers such as governments and regulators, and collaborating with asset owners to bring about positive change.



Action and impact

Our focus areas in the fourth quarter

STAKEHOLDER ROUNDTABLE ON CORPORATE GOVERNANCE

In November 2017, LGIM invited various stakeholders including clients and governance experts to discuss our voting policies. We regularly review our policies and seek to incorporate clients' feedback to ensure our policies continue to reflect their investment beliefs and are aligned with best practice. Among the various topics raised, we discussed virtual shareholder meetings, shareholder resolutions, disclosure of voting intentions, board independence, the employee voice and the protection of shareholder rights.

This roundtable was an opportunity for LGIM to understand the views of key stakeholders on topics which are pertinent to good governance. We will be using the outcomes from the discussion to strengthen our 2018 voting policies.

CORPORATE GOVERNANCE CODE CONSULTATIONS

LGIM responded to the consultation from the Hong Kong Stock Exchange on amendments to the Corporate Governance Code. Key highlights in our response included strengthening the assessment criteria of a director's independence and examining their time commitments.

Furthermore, in early December, the Financial Reporting Council (FRC) launched its highly anticipated consultation on proposed changes to the UK Corporate Governance Code. The consultation paper seeks specific views on the UK Stewardship Code in order to inform its next review in 2018. LGIM will be providing a response to the consultation.

LGIM INSTITUTIONAL CLIENT CONFERENCE

We participated in LGIM's inaugural Institutional Client Conference held in early November, which was focused on the investment implications of LGIM's three long-term investment themes: technology, demographics and energy. Since its inception at the start of the year, we have been actively working with other investment teams and contributing to the debate and analysis. During the conference we presented the group's outlook for coal. More information on this and the rest of LGIM's thematic work can be found here: <http://www.lgim.com/uk/en/insights/our-thinking/>

LGIM'S ACTION ON CLIMATE CHANGE

In Q4, LGIM continued to push on climate change issues which we believe are part of our fiduciary duty of managing our clients' assets. Both LGIM's CEO and Head of Sustainability were invited to join the UK Government's Green Finance Taskforce. The Taskforce will report in six months on its proposals to accelerate investment in the transition to a low-carbon economy.

LGIM also joined the Climate Action 100+ initiative along with 224 financial institutions which have committed to work with the 100 most carbon polluting companies to curb their emissions under a five-year plan. This initiative was undertaken as part of the OnePlanet Summit in Paris in recognition of the two-year anniversary of the Paris Agreement.

AWARDS

For the third consecutive year, LGIM's Corporate Governance team received the 2017 ICSA award for Best Investor Engagement. This award rewards the investor who, in the judgment of FTSE 350 company secretaries, conducted the most constructive engagement during the year. This award recognises LGIM for demonstrating a high standard of stewardship engagement in the market.

We were recognised at the Pensions Insight DC Awards with an award in a surprise DC Innovation category for the development of the Future World Fund.

EXTERNAL PRESENTATIONS

In November 2017, we were invited to speak to members of parliament as part of the All Party Parliamentary Group on Tax. We presented our views on why a company's approach and governance of tax represents an investment risk.

We continued our work with the Institute and Faculty of Actuaries by presenting at their Sustainable Finance event which explored how the decision-making processes within finance, including the part played by actuaries, impacts society and the environment.

At the OECD Green Investment Financing Forum, our Head of Sustainability and Responsible Investment participated in a panel on the topic of dialogue between asset managers and owners regarding climate change disclosure.

LGIM spoke on a panel at the International Corporate Governance Network conference held in Paris in December which discussed the topic of enhancing the quality of investor stewardship for strategic company engagement and long-term success.

In addition, LGIM presented at the London Business School which examined the impact of index funds on wider markets. We discussed how index funds can contribute to good corporate governance through active ownership and provided case studies on successes.

NEWS/MEDIA COVERAGE

LGIM's corporate governance team was mentioned in several articles published by the FinancialTimes, including one on the 'new guards of the City taking aim at corporate delinquents.' LGIM was also mentioned in Reuters on the importance of impartial M&A advice for non-executive directors. This is linked with our presentation at our annual Non-Executive Director Breakfast event last September.

For more information, please go to:
www.lgim.com/cgupdate

Regional updates

UK

KEY UK COMPANY ENGAGEMENTS

<p>London Stock Exchange Group plc</p>	<p>What is the issue? The London Stock Exchange Group (LSE) announced on 19 October that the board had started the succession process for the CEO.</p>
<p>Financials</p>	
<p>Market Cap £13.15bn</p>	<p>A large investor in LSE, The Children’s Investment Trust (TCI), objected to this decision and called publicly for the Chairman of LSE to resign and for the CEO to remain in place. This ultimately led to TCI using their rights as shareholders to call for an Extraordinary General Meeting (EGM) of LSE, forcing a shareholder vote on the retention of the CEO and for the de-selection of the Chairman.</p> <p>Why is it an issue? LGIM promotes open and advance disclosure that the CEO succession is being considered by the board. It allows shareholders to contribute to board discussions of future skill-sets required for the executive, ensures the company reaches the widest pool of candidates and demonstrates a planned and structured succession.</p> <p>It is an important governance principle that the Chairman and nomination committee lead the process for executive appointments, and the CEO is not directly involved in the appointment of their successor.</p> <p>It is a concern when a company shareholder disagrees with the board’s decision so publicly. In this case, the disagreement over the CEO succession was unexpected because the CEO had confirmed he would stand down as part of the now failed merger with Deutsche Borse.</p> <p>What did LGIM do? LGIM met twice with LSE and once with TCI to understand the concerns of TCI, the action taken by the board to address the concerns, and detail of the succession process for a new CEO.</p> <p>We were particularly concerned with the public nature of TCI’s criticism. We therefore contacted other major shareholders of LSE to understand how widely these concerns were shared.</p> <p>What was the outcome? In an unprecedented move, the Bank of England also became involved, with its Governor publicly calling for the issue to be resolved. The next day, the CEO of LSE announced his immediate departure and the Chairman announced he would step down in March 2019.</p> <p>At the EGM, LGIM voted against the TCI proposal to remove the Chairman. We considered the LSE board had acted in accordance with best practice, and in all shareholder interests throughout.</p> <p>At the EGM, 21% of shareholders supported the TCI proposals, and 79% supported the Chairman remaining in position and leading the CEO search.</p>

KEY UK COMPANY ENGAGEMENTS

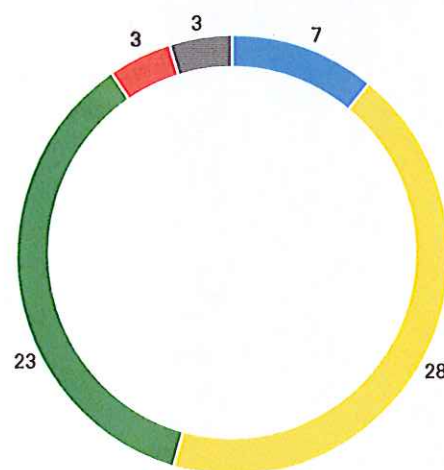
Rio Tinto PLC	What is the issue?
Mining	In March, the company announced that the Chairman was stepping down before the end of 2017 after serving eight years on the board. Therefore, the succession process was underway.
Market Cap £65.9bn	<p>In November, it was rumoured in the press that the potential successor was a well-known individual in the mining industry. This potential candidate had also previously served on the Board of another mining company, Xstrata Plc, which was taken over by Glencore in 2013 and experienced corporate governance issues.</p> <p>Why is it an issue?</p> <p>Whilst the individual had extensive mining experience, there were concerns whether this candidate possessed the right qualities to become Chairman of Rio Tinto. For example, the candidate has not had any experience in chairing a listed company and the corporate governance structure at Xstrata was different from a normal public company.</p> <p>LGIM stated that it was important for the new Chairman to have good stature in the market in order to provide stability and experience.</p> <p>The company is seeking to restore investor confidence following the exposure of bribery/corruption issues relating to management and poor judgement by the board relating to acquisitions and its dividend cut.</p> <p>What did LGIM do?</p> <p>LGIM engaged with the Chair of the Nominations Committee to discuss the succession process of the Chairman position. This included dialogue on the qualities needed on board, the chemistry needed for the CEO and Chairman relationship to work and how the chairman will hold management accountable for their performance.</p> <p>We also collaborated with other shareholders to escalate the issue and added our weight and scale.</p> <p>It is worth noting that LGIM has also been involved in engaging with the company on a new remuneration structure as the policy is up for renewal.</p> <p>What was the outcome?</p> <p>The widely speculated candidate was not selected by the Board for the Chairman position. Instead, the company announced an internal candidate will become the new Chairman.</p> <p>LGIM will continue to engage with the company regarding its strategy and remuneration structure. Furthermore, LGIM will monitor the performance of the Board following the appointment of the new Chairman and seek additional improvements in management oversight (following bribery and corruption issues being raised) and better decision-making on acquisitions.</p>

Q4 2017 VOTING SUMMARY UK

Proposal category	UK		
	For	Against	Abstain
Anti-takeover Related	40		
Capitalisation	267	7	
Directors Related	428	27	1*
Non-Salary Comp.	135	23	
Reorg. and Mergers	15	3	
Routine/Business	324	3	
SH-Compensation			
SH-Corp Governance			
SH-Dirs' Related	1		
SH-Gen Econ Issues			
SH-Health/Environ.	1		
SH-Other/misc.			
SH-Routine/Business	1		
SH-Soc./Human Rights			
Social Proposal			
Total	1212	63	1
Total resolutions	1276		
No. AGMs	80		
No. EGMs	32		
No. of companies voted	103		
No. of companies where voted against at least one resolution	32		
% no. of companies where at least one vote against	31%		

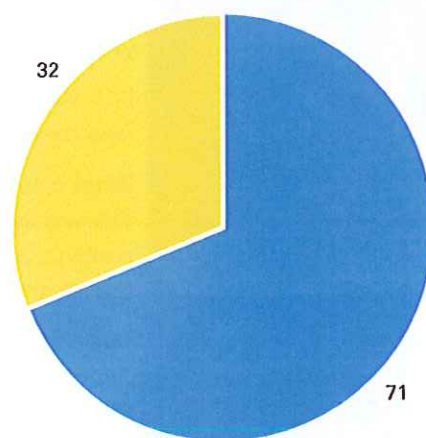
'LGIM voted against at least one resolution at 31% of UK companies over the quarter.'

Voting issue breakdown (against and abstain)



- Capitalisation
- Directors related
- Non-salary comp.
- Reorg. and mergers
- Routine/Business

Number of companies voted for/against/abstain



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

Source for all data LGIM. The votes above represent voting instructions for our main FTSE pooled index funds
 *This vote concerned a company incorporated in Bermuda, therefore the LGIM UK policy did not apply.

Regional updates

Europe

KEY EUROPEAN COMPANY ENGAGEMENTS

Nestle SA	What is the issue?
Food producer	Nestle proposed its CEO for election as Chairman. We have therefore engaged with the company directly to discuss the succession process of the Board Chairman position, and expressed our reservations concerning the independence of the Lead Independent Director.
Market cap CHF 260.80bn	Why is it an issue?
	<p>We have reservations when CEOs are elevated to become Chairs of the same company because they might stifle the ability of the new CEO to take strategic decisions that run counter to any existing strategy.</p> <p>However, where a company believes there is a compelling rationale for doing so, we expect to see a truly independent appointment in the role of Lead Independent Director (LID).</p> <p>Instead, the company decided to appoint an individual who has served on its board for nearly 15 years as the LID. Due to tenure, we do not consider the individual to be independent.</p>
	What did LGIM do?
	<p>Long-serving directors and a lack of refreshment has been an on-going issue with Nestle and is something we highlighted in our 2015 engagements. The tenure of the Chairman (over 17 years) was also raised as an issue and we wanted to know what they were doing about succession plans.</p> <p>LGIM held a meeting with the new CEO, Chairman and the Head of Governance to discuss a number of topics including the appointment of the Vice Chairman & Lead Director and the relationship between the new CEO and the old CEO who is now the Chairman.</p> <p>The objective of this meeting was to make sure the new CEO's decision-making wasn't being impeded by the Chairman and there was sufficient boardroom debate on key decisions. We also wanted to find out why the longest-serving director was considered the only suitable candidate on the board to take on the very responsible role of Vice Chairman & Lead Director. This meeting was also an opportunity to ensure the Board was aware of all concerns.</p>
	What was the outcome?
	<p>We received a good response regarding the process in place to ensure objectivity of thought for the new CEO. However, the explanation regarding the appointment of the Vice Chairman was not of satisfactory quality. We will be seeking a more complete explanation from the company by writing before voting at their 2018 AGM.</p>

KEY EUROPEAN COMPANY ENGAGEMENTS

<p>Bundled Board Elections – Sweden</p>	<p>What is the issue? In Sweden it was market practice at AGMs to propose the directors for election to the board in one single resolution. Shareholders were therefore unable to approve individual nominees to the board, only having the right to approve all of the nominees or none at all. Resolutions at the AGM which are grouped into a single resolution are known as ‘bundled’.</p> <p>Why is it an issue? The right to vote on specific matters including the election of individual directors is an important means for us to hold directors personally accountable. Proposing bundled resolutions for the approval of directors to the board limits shareholders from effectively using their voting rights.</p> <p>What did LGIM do? In 2015, LGIM supported a multi-investor initiative to write to 40 companies listed in Sweden who were proposing their board directors for election in one bundled proposal, rather than being elected individually.</p> <p>In 2017, we followed up with a second letter to the companies who had yet to propose their directors for individual election by shareholders, calling for a change at their 2018 AGM.</p> <p>In addition, in December we met with Nordea, one of the largest companies in Sweden who do not allow shareholders to individually appoint board directors. We raised our concerns on this issue directly with the Chairman.</p> <p>What was the outcome? Out of the 40 companies the investor group wrote to in 2015, 17 now allow shareholders to vote on the individual board members.</p> <p>This is a significant change in market practice. We will continue to engage with those who have yet to provide all shareholders with a direct voice on board composition.</p>
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1. <https://www.theguardian.com/global-development/2017/jun/06/waitrose-pulls-its-corned-beef-off-shelves-after-guardian-reveals-alleged-slavery-links-brazil>

2. <https://www.forestry.gov.uk/forestry/infd-7m8mnm>

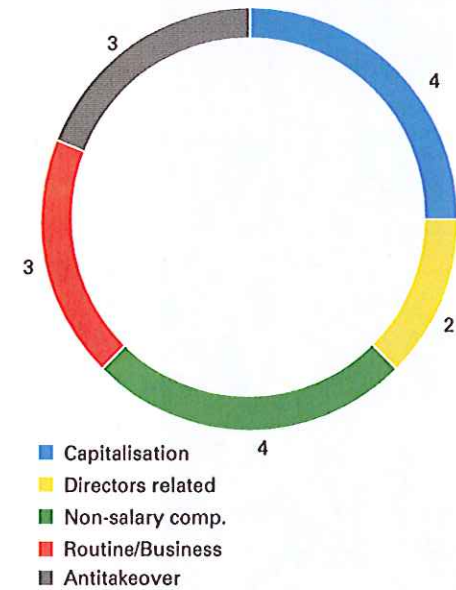
Regional updates

Europe

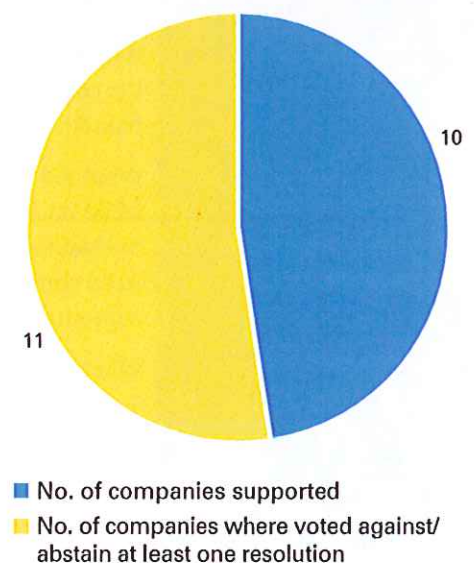
Q4 2017 VOTING SUMMARY EUROPE

Proposal category	EUROPE		
	For	Against	Abstain
Anti-takeover Related	1	3	
Capitalisation	31	4	
Directors related	55	2	
Non-salary compensation	18	4	
Reorganisations and mergers	3		
Routine/Business	66	2	1
SH-Compensation			
SH-Corp Governance			
SH-Dirs' Related	2	10	
SH-Gen Econ Issues			
Shareholder resolution - Health/Environment			
SH-Other/misc.			
SH-Routine/Business			
SH-Soc./Human Rights			
Social Proposal			
Total	176	25	1
Total resolutions	202		
No. AGMs	7		
No. EGMs	14		
No. of companies voted	21		
No. of companies where voted against at least one resolution	11		
% no. of companies where at least one vote against	52%		

Voting issue breakdown (against and abstain)



Number of companies voted for/against/abstain



'LGIM voted against at least one resolution at 52% of European companies over the quarter.'

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

Regional updates

North America

KEY NORTH AMERICA COMPANY ENGAGEMENTS

<p>US and European investors and asset owners</p>	<p>Investor Stewardship Group</p> <p>What is the issue? The US market does not have a Corporate Governance Code for companies or a Stewardship Code for investors.</p> <p>Why is it an issue? In the absence of these codes, best practice guidelines have not been established and the US market is at risk of falling behind other regions in its corporate governance framework. Therefore, a coalition of investors came together to establish an inaugural combined code.</p> <p>What did LGIM do? LGIM became one of the first non-US investors to be involved in finalising the code and became an endorser. LGIM now sits on the Investor Stewardship Group (ISG) Framework Governance Committee.</p> <p>What was the outcome? The ISG Framework was launched earlier in 2017. However, beginning in 2018, ISG signatories will be encouraging companies to articulate how their governance structures and practices align with the ISG’s Corporate Governance Principles and where and why they differ in approach.</p> <p>We will provide further updates in the future as the framework develops.</p>
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<p>58 US-listed companies</p>	<p>US Diversity project</p> <p>What is the issue? Insufficient levels of board-refreshment and diversity at board level are significant issues in the US market.</p> <p>Why is it an issue? We continue to focus on these important aspects of board composition as they affect board performance and the long-term success of a company.</p> <p>What did LGIM do? LGIM launched a collaboration with CalSTRS and OPERS in the US, and APG in the Netherlands. Using the size and scale of this group of companies, we wrote to 58 companies to request a discussion on their board diversity and refreshment commitments and processes.</p> <p>What was the outcome? To date, meetings with 27 of the companies have been undertaken. 8 companies have appointed a qualified woman to their board, and three companies have enhanced disclosures on their commitment and processes. We shall continue our engagement on this issue and will publish more detailed findings in 2018.</p>
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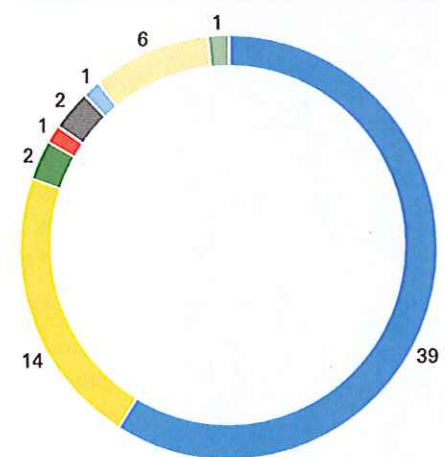
<p>ExxonMobil Group</p>	<p>What is the issue?</p>
<p>Oil and Gas</p>	<p>The company has consistently failed to acknowledge support to the Paris Agreement on climate change or to report on its portfolio resilience in a 2 degree Celsius climate change scenario.</p>
<p>USD 369.2bn</p>	<p>Why is it an issue? Climate change is a financial risk. As a long-term investor we are looking for transparency around how the companies we invest in are preparing their strategies to mitigate climate risks and benefit from climate-related opportunities. This view was echoed by a majority of shareholders at the company's 2017 AGM, who called for increased disclosure from the company.</p> <p>What did LGIM do? Over the last three years we have had in-depth conversations with the company specifically on climate change. Having supported the successful shareholder proposal to disclose the impact of climate change on ExxonMobil's portfolio at this year's AGM, we have since had an additional private meeting with the company to explore further how it plans to respond to the proposal.</p> <p>What was the outcome? The company issued a regulatory filing explaining that it would introduce enhancements to its reporting, including analysis of the impact of policies designed to limit the increase in global temperatures to 2 degrees Celsius (which was the goal of the Paris Agreement on climate change). In addition, the company has publicly stated that board directors will meet investors in 2018. Once these measures have been implemented we shall give our feedback to the company.</p>

Q4 2017 VOTING SUMMARY NORTH AMERICA

Proposal category	NORTH AMERICA		
	For	Against	Abstain
Anti-takeover Related	5		
Capitalisation	5		
Directors related	282	31	8
Non-salary compensation	64	14	
Reorganisations and mergers	5		
Routine/Business	33		
SH-Compensation		2	
SH-Corp Governance	2	1	
SH-Dirs' Related	1	2	
SH-Gen Econ Issues			
SH-Health/Environment		1	
SH-Other/misc.	3	6	
SH-Routine/Business	2	1	
SH-Soc./Human Rights	1		
Social Proposal			
Total	403	58	8
Total resolutions		469	
No. AGMs		30	
No. EGMs		11	
No. of companies voted		41	
No. of companies where voted against at least one resolution		27	
% no. of companies where at least one vote against		66%	

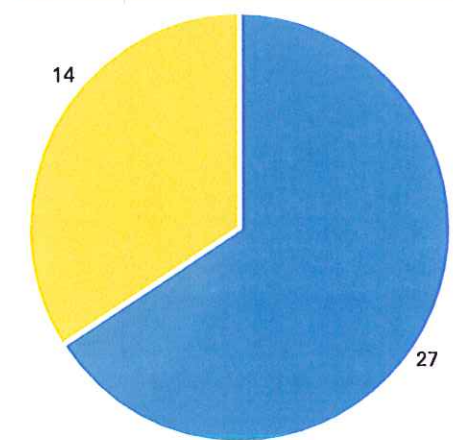
'LGIM voted against at least one resolution at 66% of North American companies over the quarter.'

Voting issue breakdown (against and abstain)



- Directors related
- Non-salary comp.
- SH-compensation
- SH-corp governance
- SH-dirs' related
- SH-health/environ.
- SH-other/misc.
- SH-routine/business

Number of companies voted for/against/abstain



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

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

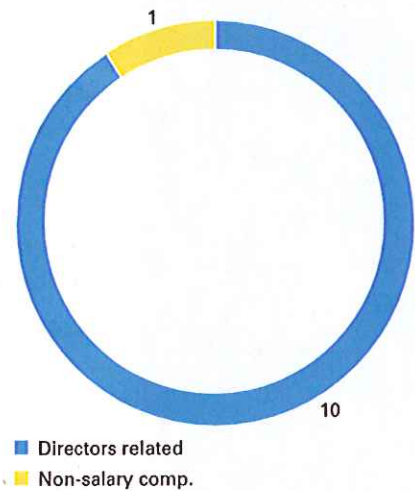
Regional updates

Japan

Q4 2017 VOTING SUMMARY JAPAN

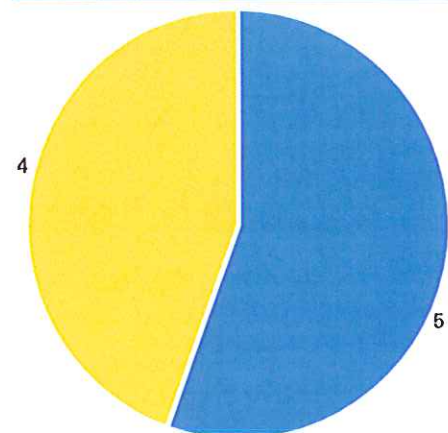
Proposal category	JAPAN		
	For	Against	Abstain
Anti-takeover Related			
Capitalisation			
Directors related	82	10	
Non-salary compensation	4		
Reorganisations and mergers	3		
Routine/Business	7	1	
SH-Compensation			
SH-Corp Governance			
SH-Dirs' Related			
SH-Gen Econ Issues			
Shareholder resolution - Health/Environment			
SH-Other/misc.			
SH-Routine/Business			
SH-Soc./Human Rights			
Social Proposal			
Total	96	11	
Total resolutions		107	
No. AGMs		7	
No. EGMs		2	
No. of companies voted		9	
No. of companies where voted against at least one resolution		5	
% no. of companies where at least one vote against		56%	

Voting issue breakdown (against)



■ Directors related
■ Non-salary comp.

Number of companies voted for/against



■ No. of companies supported
■ No. of companies where voted against at least one resolution

'LGIM voted against at least one resolution at 56% of Jananese companies over the quarter.'

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

Regional updates

Asia Pacific

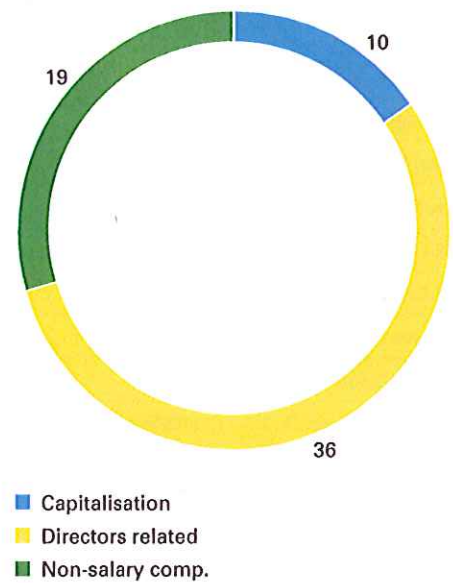
KEY ASIA PACIFIC COMPANY ENGAGEMENTS

<p>Samsung</p>	<p>What is the issue?</p>
<p>Technology</p>	<p>LGIM has been engaging extensively with Samsung to improve its governance structure and board composition.</p>
<p>Market cap KRW 367.7tn</p>	<p>In February 2017, the Korean courts ordered the arrest of the CEO in a corruption investigation. He was sentenced to five years in jail in August 2017.</p> <p>Why is it an issue?</p> <p>The arrest of the CEO raised a long term issue at the company around management succession. Without a leader, there are concerns over the future direction of the business and uncertainty around its strategy.</p> <p>At the same time, the company is under pressure from an activist investor to improve its board composition and amend its financial policy.</p> <p>What did LGIM do?</p> <p>The company announced changes in the leadership team because of the corruption investigation. LGIM has been collaborating with other investors through the Investment Association to seek clarity on succession and board-related issues.</p> <p>What was the outcome?</p> <p>In November, a letter co-ordinated by the IA was sent to the company requesting further disclosure on the rationale behind board changes, the strategy to increase independence and diversity on the board and the process behind board decision-making.</p> <p>We will continue to monitor this situation and the company's response to the letter before voting at the 2018 AGM.</p>

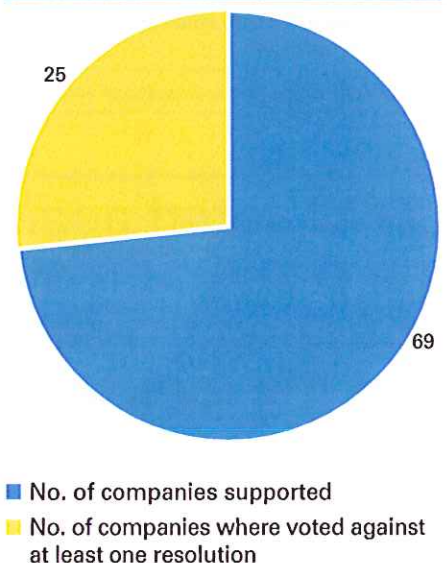
Q4 2017 VOTING SUMMARY ASIA PACIFIC

Proposal category	ASIA PACIFIC		
	For	Against	Abstain
Anti-takeover Related	5		
Capitalisation	26	10	
Directors related	232	36	
Non-salary compensation	153	19	
Reorganisations and mergers	15		
Routine/Business	46		
SH-Compensation			
SH-Corp Governance			
SH-Dirs' Related	2		
SH-Gen Econ Issues			
Shareholder resolution - Health/Environment	3		
SH-Other/misc.			
SH-Routine/Business	9		
SH-Soc./Human Rights	1		
Social Proposal	3		
Total	495	65	
Total resolutions		560	
No. AGMs		82	
No. EGMs		14	
No. of companies voted		94	
No. of companies where voted against/abstain at least one resolution		25	
% no. of companies where at least one vote against		27%	

Voting issue breakdown (against)



Number of companies voted for/against



'LGIM voted against at least one resolution at 27% of Asia Pacific companies over the quarter.'

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

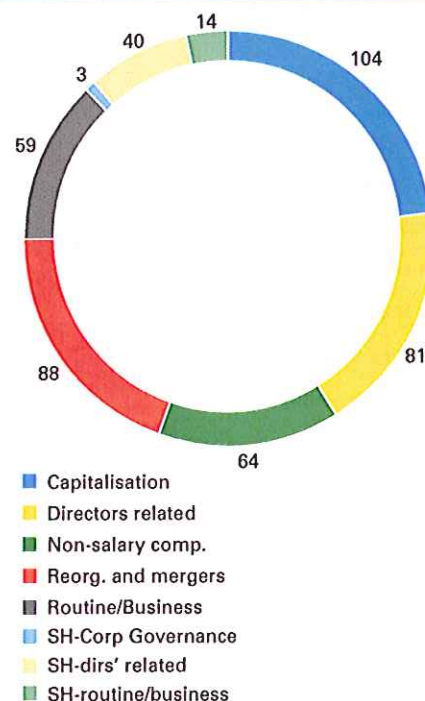
Regional updates

Emerging markets

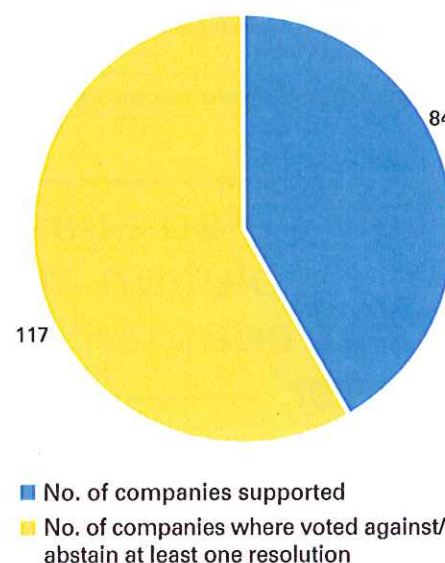
Q4 2017 VOTING SUMMARY EMERGING MARKETS

Proposal category	EMERGING MARKETS		
	For	Against	Abstain
Anti-takeover Related			
Capitalisation	381	104	
Directors related	416	73	8
Non-salary compensation	33	64	
Reorganisations and mergers	223	88	
Routine/Business	348	57	2
SH-Compensation	5		
SH-Corp Governance		3	
SH-Dirs' Related	9	37	3
SH-Gen Econ Issues			
Shareholder resolution - Health/Environment			
SH-Other/misc.			
SH-Routine/Business	6	14	
SH-Soc./Human Rights			
Social Proposal			
Total	1421	440	13
Total resolutions		1874	
No. AGMs		39	
No. EGMs		166	
No. of companies voted		201	
No. of companies where voted against/abstain at least one resolution		105	
% no. of companies where at least one vote against		52%	

Voting issue breakdown (against and abstain)



Number of companies voted for/against/abstain



'LGIM voted against at least one resolution at 52% of emerging markets companies over the quarter.'

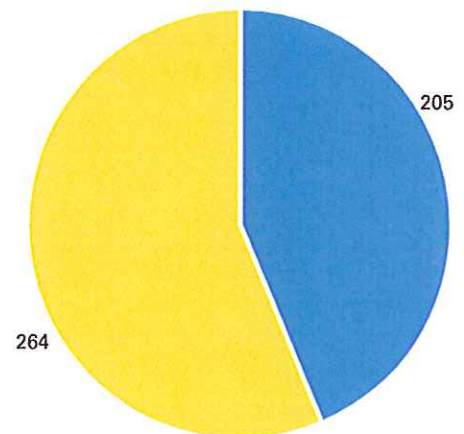
Source for all data LGIM. The votes above represent voting instructions for our main FTSE pooled index funds

Global summary

VOTING TOTALS

Proposal category	For	Against	Abstain	Total
Anti-takeover Related	51	3		54
Capitalisation	710	125		835
Directors related	1495	179	17	1691
Non-salary compensation	407	124		531
Reorganisations and mergers	264	91		355
Routine/Business	824	63	3	890
SH-Compensation	5	2		7
SH-Corp Governance	2	4		6
SH-Dirs' Related	15	49	3	67
SH-Gen Econ Issues				
Shareholder - Health/Environment	4	1		5
SH-Other/misc.	3	6		9
SH-Routine/Business	18	15		33
SH-Soc./Human Rights	2			2
Social Proposal	3			3
Total resolutions	3803	662	23	4488
No. AGMs	245			
No. EGMs	239			
No. of companies voted	469			
No. of companies where voted against/abstain at least one resolution	205			
% no. of companies where at least one vote against	44%			

Number of companies voted for/against/abstain



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

Top three engagement themes this quarter

Board composition

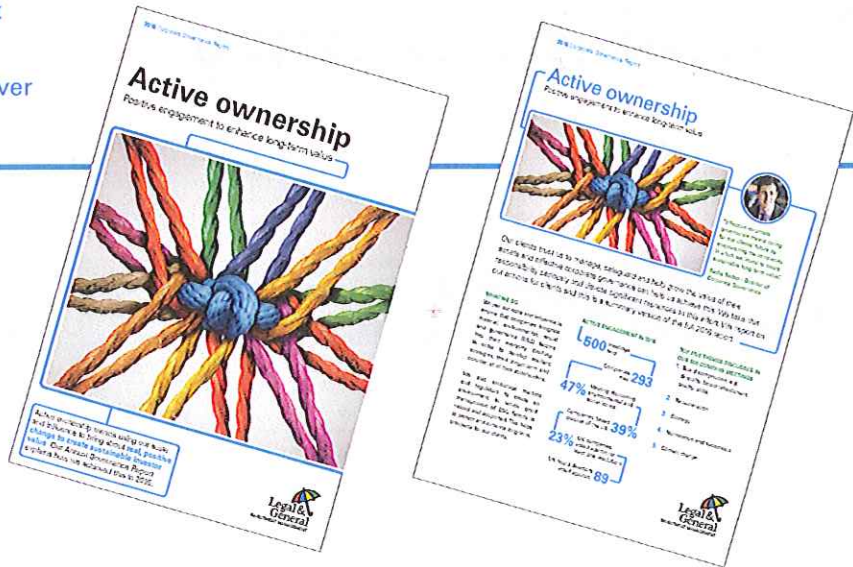
Strategy

Remuneration

COMPANY ENGAGEMENT STATISTICS

Proposal category	Total
Total number of companies	60
Total number of meetings	73
Number of meetings where environmental topics discussed	26
Number of meetings where social topics discussed	25
Number of meetings where governance topics discussed	59
Number of meetings where other topics (e.g. financial and strategy) discussed	40
% of meetings including environmental and social issues discussed	57%

To read more about LGIM's engagement activity in 2016, including many more examples of where we have helped deliver long-term positive change, please visit www.lgim.com/activeowner



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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