

VOTING AND ENGAGEMENT ACTIVITY

Welcome to your Quarterly Report's Engagement Activity section. Here we share company engagement reports and voting notes on issues that we trust you will find of interest.

We engaged with several companies over the quarter, examples of which we give below:

- We met with the Chairman of **BAE Systems**, Sir Roger Carr. We discussed Saudi Arabia, including related export licenses, the Board's composition, the UK & US political landscapes and how these might affect the business, as well as the business strategy going forward.
- We met with the Chairman of **Tullow Oil**, Dorothy Thompson, and the Remuneration Committee Chairman, Jeremy Wilson. We primarily discussed the proposed Remuneration Policy which will be put to a vote at next year's Annual General Meeting. We provided a number of points of feedback, including a desire to see greater executive share ownership amongst the executives, and a more stringent post-employment shareholding requirement. We also discussed company strategy and performance, and we expressed our wish to see more Technology and Oil sector experience represented on the Board, as well as greater transparency on the Group's strategy and the specific Key Performance Indicators that relate to it.
- We attended a **BP** remuneration meeting, alongside other key shareholders, which focused on the Group's strategy, Key Performance Indicators and the individual elements of pay and bonus. The meeting was held under 'Chatham House Rules'; we provided feedback on both remuneration and wider Group strategy.
- We met with the Chairman of **Centrica**, Charles Berry, to discuss his views on the company since we last met in March 2019 (Berry had become Chairman in February 2019), his thoughts on strategy going forwards and we also received an update on the search for a new CEO.
- Alongside other investors, we attended a meeting with **Ryanair** representatives in Dublin in August, facilitated by the Investor Forum. The representatives included the CFO & Accountable Officer for Safety, the Chief Marketing Officer, the Director of HR Strategy & Operations, the Deputy Director of Legal & Regulatory Affairs, the Senior Independent Director and the Chair of the Remuneration Committee. We discussed a raft of issues and these included customer and labour relations, Ryanair's approach to its environmental impact, its interactions with Boeing regarding the 747 MAX, Brexit, remuneration and board effectiveness. In September, we attended (again via the Investor Forum) the AGM of Ryanair, where we were also able to meet with a number of non-executive directors.

A selection of voting examples from this quarter are provided below:

J Sainsbury, AGM: We voted against the Remuneration Report chiefly due to its reliance on 'underlying' profit and cash metrics that, in this case, were very heavily adjusted, excluding several negative items that we would consider to be under management's control. We also felt that the 'development of the business strategy' was poor in Financial Year 2019, with difficulties at the value end of their grocery range becoming apparent and ongoing underperformance of the Bank. In that context, the quantum of executive pay, and the increase on the previous year, seemed inappropriate. ISS had recommended a vote in favour.

QinetiQ Group, AGM: ISS recommended an abstain vote on the election of the Chairman, Neil Johnson, due to his commitments involving a number of other boards. However, we noted that one of these, an investment company, was being wound down. We were content to vote in favour of Johnson's election.

Vodafone, AGM: We voted against Vodafone's Remuneration Report, which was in alignment with the recommendation of ISS. We noted that the threshold level of vesting for the LTIP was more than 100% of salary for the (outgoing) CEO, which represented £1.1m. We noted that share awards had significantly increased in Financial Year 2018/2019 following a material fall in share price. We also disapproved of the additional financial

risk the Liberty Global acquisition had brought to Vodafone (which had triggered a dividend cut) and the de facto loosening of the FCF LTIP targets.

Electrocomponents, AGM: The company was unwilling to move incumbent executive director pension contribution levels towards the level received by the workforce, as encouraged by the new UK Corporate Governance Code and best practice guidance. We had, prior to the vote, engaged with the company and they had declined to amend the proposed arrangements. We therefore voted against the Remuneration Policy, which was not in line with the recommendation of ISS.

Dixons Carphone, AGM: We were unable to support the company's proposed Remuneration Policy, as the company declined to apply a post-employment shareholding requirement to its current executives, despite our request for it to do so. Our vote was against the recommendation of ISS.

Carpetright, AGM: The proposed Remuneration Policy set out an award scheme which was time-based in its vesting, accompanied by an underpin which consisted of the following: i) share price – higher than 28p and the price at the date of grant ii) appropriate improvement in customer satisfaction and iii) sound financial footing. The company advised that there would be scope to move to a more traditional targets-based scheme in time, something it felt unable to implement at present due to its current circumstances. Having given this proposed scheme consideration, and having engaged with the company, our preference was for performance share awards with clear targets. We also noted the point made by ISS that the inclusion of two different incentive structures within the framework added a further layer of complexity. We therefore voted against the proposed Policy, in line with the recommendation of ISS.

Greene King, AGM: We voted against the Remuneration Report, as following the CEO's decision to leave the company, he had received a termination payment broadly equivalent to one year's fixed pay. In return for this compensation, the departed CEO will be subject to post-termination non-compete and non-solicitation restrictions, which were not in place in his original letter of appointment, and it was also acknowledged he had worked a twelve month notice period rather than six, the latter time period being the one used in his letter of appointment from 2004 (we also noted that internal discussions began in May 2018 regarding the CEO leaving but the market was only notified in November 2018, and the CEO left in May 2019). We felt the payment was overly generous. ISS had also recommended a vote against.

Ei Group, Special and Court: We voted in favour of the acquisition of Ei Group by Stonegate Pub Company Bidco Limited.

Ryanair, AGM: We voted against the airline's Remuneration Report, as we disagreed with the size of the award that the CEO could receive in the context of targets that we did not feel were particularly stretching. We also voted against the re-election of the Remuneration Committee Chair, due to our concern on remuneration and because he could not be classified as independent. We also wished to see a new Senior Independent Director, and consequently voted against the incumbent, who we noted is retiring next year. These votes were in line with the recommendations of ISS.

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 UK smaller company as one that is outside the FTSE 350.

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 so 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 want to maintain an independent stance.

VOTING RECORD 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	32	
Number of resolutions	482	
Where we voted in line with Management	455	94.4
Where we have not voted in line with Management	27	5.6

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 abstained.

CATEGORY	AGAINST MANAGEMENT	ABSTAIN
Board election & related proposals	2	0
Capitalisation	0	0
Miscellaneous	7	0
Remuneration	3	0
Reorganisations, mergers & anti-takeover	0	0
Routine/Business	15	0
Total	27	0

Sources: Majedie, ISS (Institutional Shareholder Services)

VOTING RECORD DETAILS

SECURITY NAME	MEETING DATE	MEETING TYPE	MAJEDIE VOTE
ACCSYS TECHNOLOGIES	30 Sep 2019	AGM	Voted for all
BLOOMSBURY PUBLISHING	17 Jul 2019	AGM	Voted for all
BRITISH LAND	19 Jul 2019	AGM	Against Resolution 17
BT GROUP	10 Jul 2019	AGM	Against Resolution 21
CARPETRIGHT	05 Sep 2019	AGM	Against Resolutions 3, 15
CASH FUNDS	26 Jul 2019	AGM	Voted for all
DE LA RUE	25 Jul 2019	AGM	Against Resolutions 2, 14
DIXONS CARPHONE	05 Sep 2019	AGM	Against Resolutions 3, 15
EI GROUP	12 Sep 2019	EGM	Voted for all
EI GROUP	12 Sep 2019	Court	Voted for all
ELECTROCOMPONENTS	17 Jul 2019	AGM	Against Resolution 2
FASTJET	29 Jul 2019	EGM	Against Resolution 1
FIRSTGROUP	25 Jul 2019	AGM	Against Resolution 19
GREENE KING	06 Sep 2019	AGM	Against Resolution 2
HELICAL BAR	11 Jul 2019	AGM	Voted for all
J SAINSBURY	04 Jul 2019	AGM	Against Resolutions 2, 19
KINGFISHER	09 Jul 2019	AGM	Against Resolutions 2, 16
MARKS & SPENCER	09 Jul 2019	AGM	Against Resolution 20
MARLOWE HOLDINGS	18 Sep 2019	AGM	Voted for all
MOTHERCARE	26 Jul 2019	AGM	Against Resolution 11
OXFORD INSTRUMENTS	10 Sep 2019	AGM	Voted for all
PAYPOINT	25 Jul 2019	AGM	Voted for all
PZ CUSSONS	25 Sep 2019	AGM	Voted for all
QINETIQ GROUP	24 Jul 2019	AGM	Against Resolution 15
RENEWI	11 Jul 2019	AGM	Against Resolution 15
RYANAIR	19 Sep 2019	AGM	Against Resolutions 2, 3f, 3g
SPEEDY HIRE	11 Jul 2019	AGM	Against Resolution 18
TARSUS	11 Jul 2019	EGM	Voted for all
TARSUS	11 Jul 2019	Court	Voted for all
TUNGSTEN	19 Sep 2019	AGM	Against Resolution 2
VODAFONE	23 Jul 2019	AGM	Against Resolutions 15, 22
XPS PENSIONS GROUP	12 Sep 2019	AGM	Voted for all

Source: Majedie

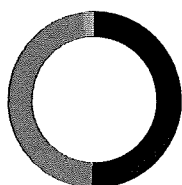
LGPS Central - ACS

Hermes EOS

Over the last quarter we made voting recommendations at **247** meetings (**2,871** resolutions). At **117** meetings we recommended opposing one or more resolutions. We recommended voting with management by exception at **five** meetings. We supported management on all resolutions at the remaining **125** meetings.

Global

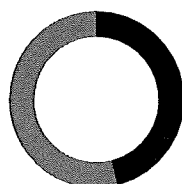
We made voting recommendations at **247** meetings (**2,871** resolutions) over the last quarter.



- Total meetings in favour **50.6%**
- Meetings against (or against AND abstain) **47.4%**
- Meetings with management by exception **2.0%**

Australia and New Zealand

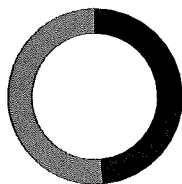
We made voting recommendations at **13** meetings (**76** resolutions) over the last quarter.



- Total meetings in favour **46.2%**
- Meetings against (or against AND abstain) **53.8%**

Developed Asia

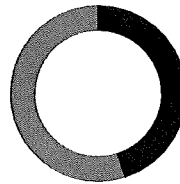
We made voting recommendations at **37** meetings (**278** resolutions) over the last quarter.



- Total meetings in favour **48.6%**
- Meetings against (or against AND abstain) **51.4%**

Emerging and Frontier Markets

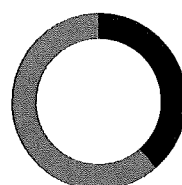
We made voting recommendations at **42** meetings (**367** resolutions) over the last quarter.



- Total meetings in favour **45.2%**
- Meetings against (or against AND abstain) **54.8%**

Europe

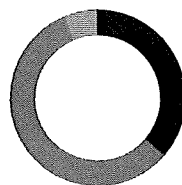
We made voting recommendations at **31** meetings (**409** resolutions) over the last quarter.



- Total meetings in favour **38.7%**
- Meetings against (or against AND abstain) **61.3%**

North America

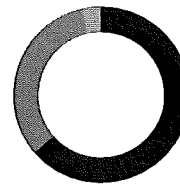
We made voting recommendations at **33** meetings (**328** resolutions) over the last quarter.



- Total meetings in favour **36.4%**
- Meetings against (or against AND abstain) **57.6%**
- Meetings with management by exception **6.1%**

United Kingdom

We made voting recommendations at **91** meetings (**1,413** resolutions) over the last quarter.

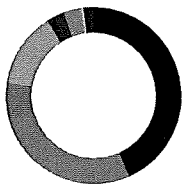


- Total meetings in favour **63.7%**
- Meetings against (or against AND abstain) **33.0%**
- Meetings with management by exception **3.3%**

The issues on which we recommended voting against management or abstaining on resolutions are shown below.

Global

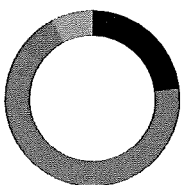
We recommended voting against or abstaining on **299** resolutions over the last quarter.



- Board structure **43.1%**
- Remuneration **27.4%**
- Shareholder resolution **6.7%**
- Capital structure and dividends **13.7%**
- Amend articles **3.3%**
- Audit and accounts **3.3%**
- Poison pill/Anti-takeover device **0.3%**
- Other **2.0%**

Australia and New Zealand

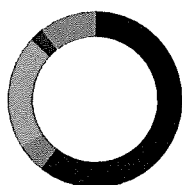
We recommended voting against or abstaining on **13** resolutions over the last quarter.



- Board structure **23.1%**
- Remuneration **61.5%**
- Shareholder resolution **7.7%**
- Capital structure and dividends **7.7%**

Developed Asia

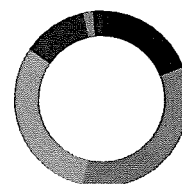
We recommended voting against or abstaining on **38** resolutions over the last quarter.



- Board structure **60.5%**
- Remuneration **5.3%**
- Capital structure and dividends **21.1%**
- Amend articles **2.6%**
- Audit and accounts **10.5%**

Emerging and Frontier Markets

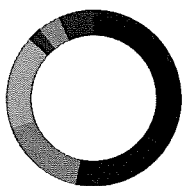
We recommended voting against or abstaining on **58** resolutions over the last quarter.



- Board structure **19.0%**
- Remuneration **19.0%**
- Shareholder resolution **15.5%**
- Capital structure and dividends **31.0%**
- Amend articles **12.1%**
- Audit and accounts **1.7%**
- Other **1.7%**

Europe

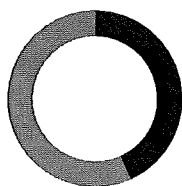
We recommended voting against or abstaining on **75** resolutions over the last quarter.



- Board structure **53.3%**
- Remuneration **16%**
- Capital structure and dividends **17.3%**
- Amend articles **2.7%**
- Audit and accounts **4%**
- Other **6.7%**

North America

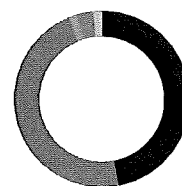
We recommended voting against or abstaining on **51** resolutions over the last quarter.



- Board structure **43.1%**
- Remuneration **37.3%**
- Shareholder resolution **19.6%**

United Kingdom

We recommended voting against or abstaining on **64** resolutions over the last quarter.



- Board structure **46.9%**
- Remuneration **46.9%**
- Capital structure and dividends **1.6%**
- Audit and accounts **3.1%**
- Poison pill/Anti-takeover device **1.6%**

LGPS Central - ACS

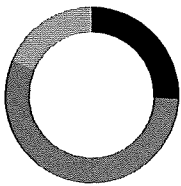
Hermes EOS

Engagement by region

Over the last quarter we engaged with **181** companies held in the LGPS Central - ACS portfolios on a range of **471** environmental, social and governance issues and objectives.

Global

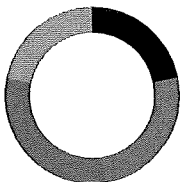
We engaged with **181** companies over the last quarter.



- Environmental **25.7%**
- Social and Ethical **25.3%**
- Governance **30.6%**
- Strategy, Risk and Communication **18.5%**

Developed Asia

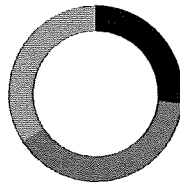
We engaged with **42** companies over the last quarter.



- Environmental **21.8%**
- Social and Ethical **25.7%**
- Governance **30.7%**
- Strategy, Risk and Communication **21.8%**

Emerging & Developing Markets

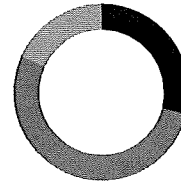
We engaged with **17** companies over the last quarter.



- Environmental **26.8%**
- Social and Ethical **14.6%**
- Governance **24.4%**
- Strategy, Risk and Communication **34.1%**

Europe

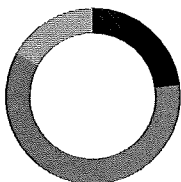
We engaged with **41** companies over the last quarter.



- Environmental **29.1%**
- Social and Ethical **31.8%**
- Governance **20.9%**
- Strategy, Risk and Communication **18.2%**

North America

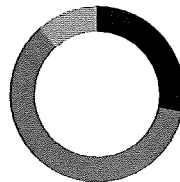
We engaged with **40** companies over the last quarter.



- Environmental **23.0%**
- Social and Ethical **23.9%**
- Governance **36.3%**
- Strategy, Risk and Communication **16.8%**

United Kingdom

We engaged with **41** companies over the last quarter.



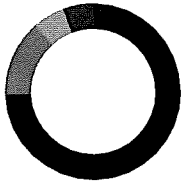
- Environmental **28.3%**
- Social and Ethical **23.6%**
- Governance **36.8%**
- Strategy, Risk and Communication **11.3%**

Engagement by theme

Over the last quarter we engaged with **181** companies held in the LGPS Central - ACS portfolios on a range of **471** environmental, social and governance issues and objectives.

Environmental

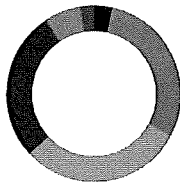
Environmental topics featured in **25.7%** of our engagements over the last quarter.



- Climate Change **74.4%**
- Forestry and Land Use **4.1%**
- Pollution and Waste Management **9.9%**
- Supply Chain Management **5.8%**
- Water **5.8%**

Social and Ethical

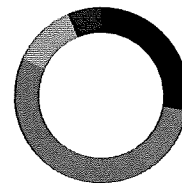
Social and Ethical topics featured in **25.3%** of our engagements over the last quarter.



- Bribery and Corruption **3.4%**
- Conduct and Culture **16.0%**
- Diversity **13.4%**
- Human Capital Management **30.3%**
- Human Rights **27.7%**
- Labour Rights **6.7%**
- Tax **2.5%**

Governance

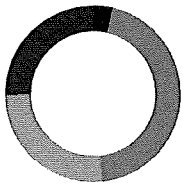
Governance topics featured in **30.6%** of our engagements over the last quarter.



- Board Diversity, Skills and Experience **27.8%**
- Board Independence **13.2%**
- Executive Remuneration **41.0%**
- Shareholder Protection and Rights **11.8%**
- Succession Planning **6.2%**

Strategy, Risk and Communication

Strategy, Risk and Communication topics featured in **18.5%** of our engagements over the last quarter.



- Audit and Accounting **3.4%**
- Business Strategy **43.7%**
- Cyber Security **1.1%**
- Integrated Reporting and Other Disclosure **26.4%**
- Risk Management **25.3%**

Notices:
 LGPS Central Limited is committed to disclosing its voting record on a vote-by-vote basis, including where practicable the provision of a rationale for votes cast against management.
 The data presented here relate to voting decisions for securities held in portfolios held within the company's Authorised Contractual Scheme (ACS).

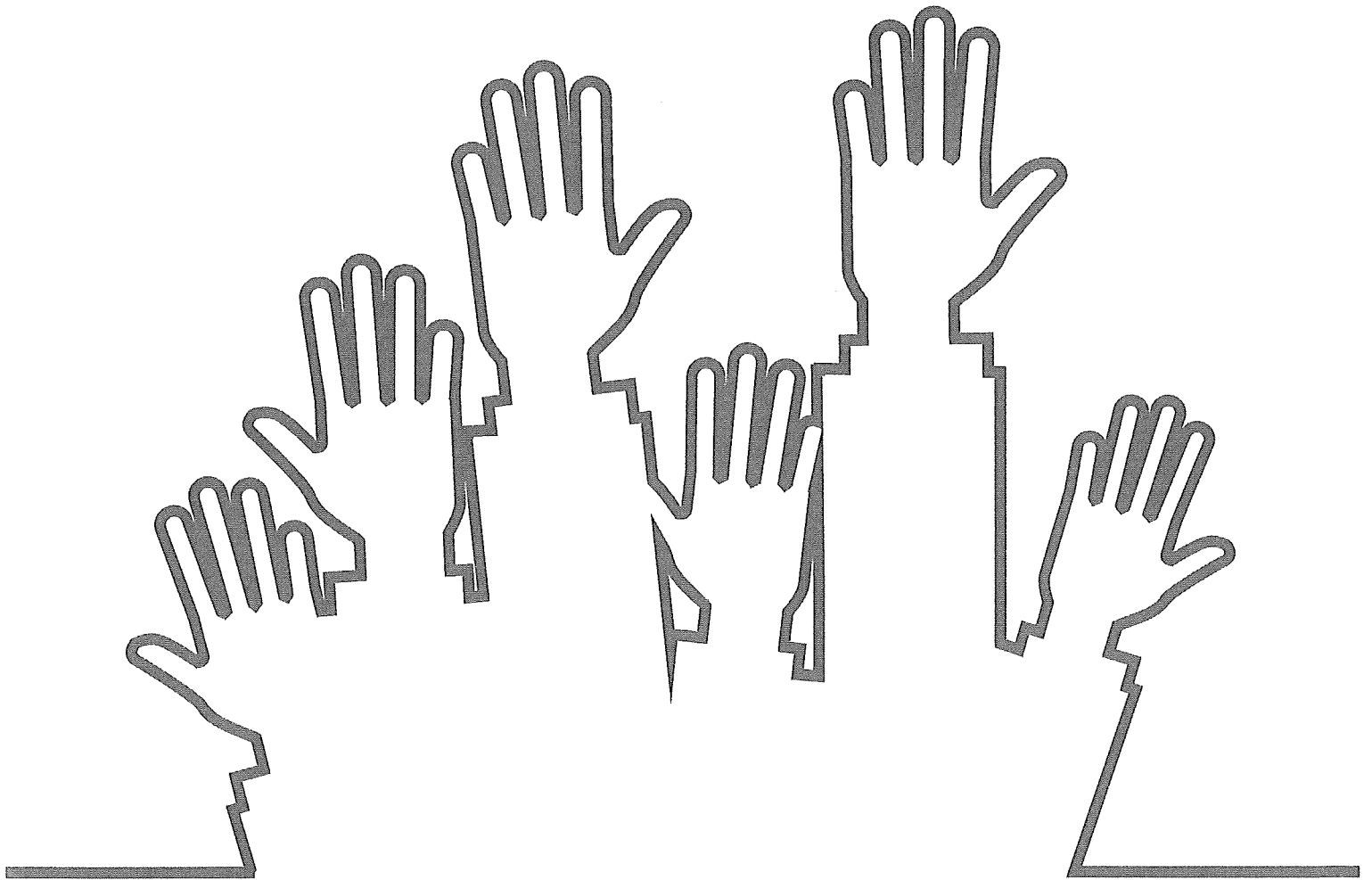
Meeting Date	Company Name	Meeting Type	Voting Action	Agenda Item Numbers	Voting Explanation
01/07/2019	Dominio's Pizza Group Plc	Special	All For		
02/07/2019	Ubisoft Entertainment SA	Annual/Special	All For		
02/07/2019	Assura Plc	Annual	All For		
03/07/2019	voestalpine AG	Annual	Against	10, 11 9	Concerns about reducing shareholder rights Concerns about reducing shareholder rights
03/07/2019	JD Sports Fashion Plc	Annual	Against	8, 1, 6, 2, 6, 3, 6, 4, 6, 6 2, 11 4 6	Lack of independence on board Apparent failure to link pay and appropriate performance Combined CEO/Chairman/Overboarded/Too many other time commitments Concerns about remuneration committee performance
04/07/2019	3i Infrastructure Plc	Annual	Against	4	Concerns related to approach to board diversity
04/07/2019	Great Portland Estates Plc	Annual	All For		
04/07/2019	J Sainsbury Plc	Annual	All For		
08/07/2019	Vietnam Enterprise Investments Ltd.	Annual	Against	2	Concerns regarding Auditor tenure
08/07/2019	AVEVA Group Plc	Annual	Against	2 5	Apparent failure to link pay and appropriate performance Overboarded/Too many other time commitments
09/07/2019	Lenovo Group Limited	Annual	Against	7, 8 5	Issue of capital raises concerns about excessive dilution of existing shareholders Issue of capital raises concerns about excessive dilution of existing shareholders
09/07/2019	Ascendas Real Estate Investment Trust	Annual	Against	3	Issue of equity raises concerns about excessive dilution of existing shareholders
09/07/2019	Dell Technologies, Inc.	Annual	Against	4 1, 2 1, 3	Apparent failure to link pay and appropriate performance Concerns related to approach to board diversity Concerns related to inappropriate membership of committees Concerns to protect shareholder value Concerns related to approach to board diversity
09/07/2019	Kingfisher Plc	Annual	All For		
09/07/2019	Marks & Spencer Group Plc	Annual	All For		
09/07/2019	Worldwide Healthcare Trust Plc	Annual	Against	2	Concerns related to approach to board diversity
10/07/2019	Alstom SA	Annual/Special	All For		
10/07/2019	EQT Corporation	Proxy Contest	No Action Taken	2 1A, 1B, 1C, 1D, 1E, 1F, 1G, 1H, 1 1, 1J, 1K, 1L, 1M, 1N, 1O, 1P, 1Q, 1R, 2, 3, 4	
10/07/2019	BT Group Plc	Annual	All For		
11/07/2019	Johnson Electric Holdings Ltd.	Annual	Against	7, 8	Issue of equity raises concerns about excessive dilution of existing shareholders
11/07/2019	Fielmann AG	Annual	All For		
11/07/2019	Land Securities Group Plc	Annual	Against	10	Overboarded/Too many other time commitments
11/07/2019	LondonMetric Property Plc	Annual	All For		
11/07/2019	Personal Assets Trust Plc	Annual	All For		
11/07/2019	Pets At Home Group Plc	Annual	Against	2 6 4A	Apparent failure to link pay and appropriate performance Concerns regarding Auditor tenure Overboarded/Too many other time commitments
11/07/2019	Templeton Emerging Markets Investment Trust Plc	Annual	All For		
11/07/2019	Workspace Group Plc	Annual	Against	4, 9	Overboarded/Too many other time commitments
12/07/2019	VTech Holdings Ltd.	Annual	Against	3c	Concerns related to approach to board diversity
12/07/2019	DCC Plc	Annual	All For		
12/07/2019	Amigo Holdings Plc	Annual	Against	3 2 9	Apparent failure to link pay & appropriate performance Apparent failure to link pay and appropriate performance Concerns related to inappropriate membership of committees
15/07/2019	Mapletree Logistics Trust	Annual	Against	3	Issue of equity raises concerns about excessive dilution of existing shareholders
16/07/2019	Mapletree Industrial Trust	Annual	All For		
16/07/2019	Industria de Diseno Textil SA	Annual	All For		
16/07/2019	Constellation Brands, Inc.	Annual	Against	3 1, 2 1, 5 1, 10	Apparent failure to link pay & appropriate performance Concerns about remuneration committee performance Concerns related to inappropriate membership of committees Concerns to protect shareholder value
16/07/2019	VF Corp.	Annual	Against	2	Apparent failure to link pay & appropriate performance
16/07/2019	HICL Infrastructure PLC	Annual	Against	4	Overboarded/Too many other time commitments
16/07/2019	Perpetual Income & Growth Investment Trust Plc	Annual	All For		
17/07/2019	Mapletree North Asia Commercial Trust	Annual	Against	3	Issue of equity raises concerns about excessive dilution of existing shareholders
17/07/2019	Burberry Group Plc	Annual	All For		
17/07/2019	Electrocomponents Plc	Annual	All For		
17/07/2019	Johnson Matthey Plc	Annual	All For		
17/07/2019	Severn Trent Plc	Annual	All For		
17/07/2019	TalkTalk Telecom Group Plc	Annual	Against	2 4 8, 11, 13	Apparent failure to link pay and appropriate performance Concerns about overall performance Concerns related to inappropriate membership of committees
18/07/2019	SATS Ltd.	Annual	All For		
18/07/2019	Singapore Post Ltd.	Annual	All For		
18/07/2019	AusNet Services Ltd.	Annual	Against	2c	Concerns about overall performance
18/07/2019	Suedzucker AG	Annual	Against	8 9 5	Concerns to protect shareholder value Insufficient basis to support a decision Lack of independence on board
18/07/2019	Babcock International Group Plc	Annual	All For		
18/07/2019	Royal Mail Plc	Annual	Against	2	Apparent failure to link pay and appropriate performance
18/07/2019	SSE Plc	Annual	All For		
19/07/2019	SIA Engineering Co. Ltd.	Annual	All For		
19/07/2019	Big Yellow Group Plc	Annual	All For		
19/07/2019	HomeServe Plc	Annual	Against	2	Apparent failure to link pay and appropriate performance
19/07/2019	The British Land Co. Plc	Annual	Against	3	Apparent failure to link pay & appropriate performance
22/07/2019	Banco Santander SA	Special	All For		
23/07/2019	Singapore Telecommunications Limited	Annual	All For		
23/07/2019	The UNITE Group Plc	Special	All For		
23/07/2019	TR Property Investment Trust Plc	Annual	Against	5	Concerns related to approach to board diversity
23/07/2019	Vodafone Group Plc	Annual	All For		
24/07/2019	Link Real Estate Investment Trust	Annual	All For		
24/07/2019	ITO EN, LTD.	Annual	Against	4, 2	Concerns about overall board structure
24/07/2019	Mapletree Commercial Trust	Annual	Against	3	Issue of equity raises concerns about excessive dilution of existing shareholders
24/07/2019	Remy Cointreau SA	Annual/Special	Against	13, 15 5 16	Apparent failure to link pay and appropriate performance Insufficient justification for related party transaction Person pillant-takeover measure not in investors interests
24/07/2019	Eurobank Ergasias SA	Annual	All For		
24/07/2019	Fidelity National Information Services, Inc.	Special	All For		
24/07/2019	Worldpay, Inc.	Special	All For		
24/07/2019	Experian Plc	Annual	Against	2	Apparent failure to link pay & appropriate performance
24/07/2019	Wizz Air Holdings Plc	Annual	Against	2	Apparent failure to link pay and appropriate performance
24/07/2019	Caledonia Investments Plc	Annual	Against	16	Concerns to protect shareholder value
24/07/2019	Fidelity China Special Situations Plc	Annual	All For		
24/07/2019	Mediclinic International Plc	Annual	Against	2 9	Apparent failure to link pay and appropriate performance Overboarded/Too many other time commitments
24/07/2019	QinetiQ Group plc	Annual	All For		
25/07/2019	Macquarie Group Limited	Annual	Against	6	Concerns related to shareholder value
25/07/2019	Ryman Healthcare Ltd.	Annual	All For		
25/07/2019	HarbourVest Global Private Equity Ltd.	Annual	Against	11	Concerns regarding Auditor tenure
25/07/2019	NewRiver REIT Plc	Annual	All For		
25/07/2019	BMO Global Smaller Companies PLC	Annual	All For		
25/07/2019	Edinburgh Investment Trust Plc	Annual	All For		
25/07/2019	FirstGroup Plc	Annual	Against	2	Apparent failure to link pay & appropriate performance
25/07/2019	Halma Plc	Annual	All For		
25/07/2019	Intermediate Capital Group Plc	Annual	Against	2	Apparent failure to link pay and appropriate performance
25/07/2019	PayPoint Plc	Annual	All For		
25/07/2019	Pennon Group Plc	Annual	All For		
25/07/2019	Tate & Lyle Plc	Annual	All For		
25/07/2019	Telecom Plus Plc	Annual	Against	3	Apparent failure to link pay and appropriate performance

Meeting Date	Company Name	Meeting Type	Voting Action	Agenda Item Numbers	Voting Explanation
26/07/2019	Linde Plc	Annual	Against	4 1h	Apparent failure to link pay and appropriate performance Concerns about remuneration committee performance
26/07/2019	B&M European Value Retail SA	Annual	All For		
26/07/2019	United Utilities Group Plc	Annual	All For		
28/07/2019	Singapore Airlines Ltd.	Annual	All For		
29/07/2019	Tenaris SA	Special	Against	2	Issue of equity raises concerns about excessive dilution of existing shareholders
29/07/2019	BCA Marketplace Plc	Court	All For		
29/07/2019	BCA Marketplace Plc	Special	All For		
29/07/2019	Cranswick Plc	Annual	All For		
29/07/2019	Finsbury Growth & Income Trust Plc	Special	All For		
29/07/2019	National Grid Plc	Annual	Against	18	Fund manager or client vote
30/07/2019	Aln Holdings, Inc.	Annual	Against	2	Concerns about overall board structure
30/07/2019	Beijing Capital International Airport Co., Ltd.	Special	All For		
30/07/2019	Beijing Capital International Airport Co., Ltd.	Special	All For		
30/07/2019	BB&T Corporation	Special	All For		
30/07/2019	SunTrust Banks, Inc.	Special	All For		
30/07/2019	Syncona Ltd.	Annual	All For		
31/07/2019	ALS Ltd.	Annual	All For		
31/07/2019	Duluxgroup Limited	Court	All For		
31/07/2019	Polskie Gornictwo Naftowe i Gazownictwo SA	Special	All For		
31/07/2019	National Bank of Greece SA	Annual	Against	1	Concerns related to shareholder rights
31/07/2019	Lundin Petroleum AB	Special	All For		
31/07/2019	McKesson Corporation	Annual	Against	3 4	Apparent failure to link pay & appropriate performance SH: For shareholder resolution, against management recommendation / Shareholder proposal promotes transparency
31/07/2019	Synthomer Plc	Special	All For		
01/08/2019	Raia Drogasil SA	Special	All For		
01/08/2019	Capri Holdings Limited	Annual	Against	3	Apparent failure to link pay and appropriate performance
01/08/2019	Jazz Pharmaceuticals Plc	Annual	Against	3 1d	Apparent failure to link pay and appropriate performance Concerns about remuneration committee performance
01/08/2019	Ralph Lauren Corporation	Annual	Against	3 1.3 1.1,1.2	Apparent failure to link pay and appropriate performance Concerns about remuneration committee performance Concerns related to approach to board diversity
02/08/2019	ASKUL Corp.	Annual	Against	2,6,2,7,2,8,2,9,2,10,3	Concerns about overall board structure
02/08/2019	Chow Tai Fook Jewellery Group Ltd.	Annual	Against	3,7 3f	Issue of equity raises concerns about excessive dilution of existing shareholders Overboarded/Too many other time commitments
02/08/2019	Housing Development Finance Corporation Limited	Annual	Against	6 7	Lack of independence on board Lack of independence on board - 2- Overboarded/Too many other time commitments
05/08/2019	Sequoia Economic Infrastructure Income Fund Ltd.	Annual	All For		
06/08/2019	HCL Technologies Limited	Annual	All For		
06/08/2019	Qorvo, Inc.	Annual	Against	2 1.7 1.9	Apparent failure to link pay and appropriate performance Concerns about remuneration committee performance Concerns related to approach to board diversity
07/08/2019	Mahindra & Mahindra Ltd.	Annual	All For		
07/08/2019	ABIOMED, Inc.	Annual	Against	2	Apparent failure to link pay & appropriate performance
07/08/2019	Vornado Realty Trust	Special	All For		
08/08/2019	NagaCorp Ltd.	Special	All For		
08/08/2019	Saputo Inc.	Annual	Against	5,7 4	SH: Against shareholder resolution, against management recommendation / Shareholder proposal does not promote transparency SH: Against shareholder resolution, against management recommendation / Shareholder proposal does not promote transparency
08/08/2019	Anadarko Petroleum Corporation	Special	Against	2	Apparent failure to link pay and appropriate performance
08/08/2019	Electronic Arts Inc.	Annual	Against	2 1b 6	Apparent failure to link pay and appropriate performance Concerns about remuneration committee performance Shareholder proposal promotes enhanced shareholder rights
08/08/2019	Xilinx, Inc.	Annual	Against	4 1.7	Apparent failure to link pay and appropriate performance Concerns about remuneration committee performance
08/08/2019	NextEnergy Solar Fund Ltd.	Annual	Against	11	Issue of capital raises concerns about excessive dilution of existing shareholders
08/08/2019	Investec Plc	Annual	All For		
09/08/2019	TSURUHA Holdings, Inc.	Annual	Against	1,8,1,9	Concerns about overall board structure
09/08/2019	China State Construction International Holdings Lim	Special	All For		
09/08/2019	James Hardie Industries Plc	Annual	Against	2,6,7,8	Apparent failure to link pay and appropriate performance
10/08/2019	EMS-Chemie Holding AG	Annual	Against	3,2,2 7 6,1,1,6,1,4,6,1,5	Apparent failure to link pay and appropriate performance Insufficient/poor disclosure Lack of independence on board/Lack of independent representation at board committees
12/08/2019	NB Global Floating Rate Income Fund Ltd.	Special	All For		
13/08/2019	Doosan Corp.	Special	All For		
14/08/2019	The J. M. Smucker Company	Annual	All For		
15/08/2019	Xero Limited	Annual	All For		
15/08/2019	DXC Technology Co.	Annual	Against	3 1 1j	Apparent failure to link pay and appropriate performance Concerns about remuneration committee performance Concerns related to approach to board diversity
17/08/2019	Kusuri No Aoki Holdings Co., Ltd.	Annual	Against	3,6 3,1 2	Concerns about overall board structure Concerns related to approach to board diversity Concerns to protect shareholder value
20/08/2019	Oracle Corp Japan	Annual	Against	1,6,1,7	Concerns about overall board structure
20/08/2019	Flex Ltd.	Annual	Against	5 1f,2b 1d	Apparent failure to link pay and appropriate performance Concerns about remuneration committee performance Concerns related to attendance at board or committee meetings
20/08/2019	Flex Ltd.	Special	All For		
20/08/2019	Went Want China Holdings Limited	Annual	Against	3a1,3a7 6,7	Concerns about remuneration committee performance Issue of equity raises concerns about excessive dilution of existing shareholders
20/08/2019	Microchip Technology Incorporated	Annual	Against	4 1.2 1.5 1,3 5	Apparent failure to link pay and appropriate performance Concerns about candidate's experience/skills - 2- Concerns to protect shareholder value Concerns about remuneration committee performance Lack of independent representation at board committees SH: For shareholder resolution, against management recommendation / Shareholder proposal promotes better management of ESG opportunities and risks
21/08/2019	China Gas Holdings Limited	Annual	Against	8 6 7	Apparent failure to link pay and appropriate performance Concerns to protect shareholder value Issue of equity raises concerns about excessive dilution of existing shareholders
22/08/2019	Elekta AB	Annual	Against	18	Apparent failure to link pay and appropriate performance
22/08/2019	Tele2 AB	Special	All For		
23/08/2019	COSMOS Pharmaceutical Corp.	Annual	Against	4 2,2 2,1	Concerns about overall board structure Concerns about overall performance Concerns about overall performance/Concerns related to approach to board diversity
23/08/2019	Naspers Ltd.	Annual	Against	8 7 5 6 9 10	Apparent failure to link pay & appropriate performance Apparent failure to link pay & appropriate performance Issue of capital raises concerns about excessive dilution of existing shareholders Issue of capital raises concerns about excessive dilution of existing shareholders - 2- Multiple voting rights Multiple voting rights
23/08/2019	Naspers Ltd.	Special	All For		
27/08/2019	Maruti Suzuki India Limited	Annual	All For		
27/08/2019	Power Grid Corporation of India Limited	Annual	All For		
28/08/2019	Metcash Limited	Annual	Against	3,4 2c	Apparent failure to link pay and appropriate performance Concerns about remuneration committee performance
28/08/2019	Fisher & Paykel Healthcare Corporation Limited	Annual	Against	5,6	Apparent failure to link pay and appropriate performance
28/08/2019	Colgate-Palmolive (India) Limited	Annual	All For		
28/08/2019	PT Bank Mandiri (Persero) Tbk	Special	Against	1	
28/08/2019	Mr. Price Group Ltd.	Annual	Against	7,8 2,3	Apparent failure to link pay and appropriate performance Concerns about remuneration committee performance
28/08/2019	BBA Aviation Plc	Special	All For		
29/08/2019	Global Payments Inc.	Special	All For		
29/08/2019	Total System Services, Inc.	Special	All For		
30/08/2019	Banco Bradesco SA	Special	All For		
30/08/2019	Banco Bradesco SA	Special	All For		
30/08/2019	Banco Bradesco SA	Special	Against	1	
30/08/2019	PT Bank Negara Indonesia (Persero) Tbk	Special	Against	1	
30/08/2019	Scout24 AG	Annual	Against	8	Insufficient/poor disclosure
30/08/2019	Stagecoach Group Plc	Annual	Against	2 10	Apparent failure to link pay & appropriate performance Concerns related to approach to board diversity
02/09/2019	Sa Sa International Holdings Limited	Annual	Against	5,1,5,3 3,1b	Issue of equity raises concerns about excessive dilution of existing shareholders Overboarded/Too many other time commitments
02/09/2019	PT Bank Rakyat Indonesia (Persero) Tbk	Special	Against	1,2	
03/09/2019	Guotai Junan International Holdings Limited	Special	All For		
03/09/2019	Cafe de Coral Holdings Ltd.	Annual	Against	6,8 3,3	Issue of equity raises concerns about excessive dilution of existing shareholders Overboarded/Too many other time commitments
03/09/2019	Acacia Mining Plc	Court	All For		

Meeting Date	Company Name	Meeting Type	Voting Action	Agenda Item Numbers	Voting Explanation
03/09/2019	Acacia Mining Plc	Special	All For		
03/09/2019	DS Smith Plc	Annual	All For		
03/09/2019	Merlin Entertainments Plc	Court	All For		
03/09/2019	Merlin Entertainments Plc	Special	All For		
03/09/2019	The Monks Investment Trust Plc	Annual	All For		
04/09/2019	Vitasoy International Holdings Limited	Annual	Against	3A2 4 5A,5C	Concerns about overall performance 2- Concerns related to Non-audit fees Concerns related to Non-audit fees Issue of equity raises concerns about excessive dilution of existing shareholders Concerns about reducing shareholder rights
04/09/2019	Mediaset SpA	Special	Against	1	Insufficient/poor disclosure
04/09/2019	Logitech International S.A.	Annual	Against	A	Insufficient/poor disclosure
04/09/2019	Polar Capital Technology Trust Plc	Annual	All For		
05/09/2019	Korea Aerospace Industries Ltd.	Special	All For		
05/09/2019	Dixons Carphone Plc	Annual	Against	2	Apparent failure to link pay and appropriate performance
06/09/2019	Capitaland Commercial Trust	Special	All For		
06/09/2019	Powszechny Zakład Ubezpieczeń SA	Special	Against	5,6	Concerns related to shareholder rights
06/09/2019	Berkeley Group Holdings Plc	Annual	Against	2,3,28 13	Apparent failure to link pay and appropriate performance Overboarded/Too many other time commitments
06/09/2019	Greene King Plc	Annual	All For		
10/09/2019	Folli Follie SA	Annual	Against	3 1,8 9 4,10	Concerns about overall performance Concerns related to shareholder value Inappropriate bundling of election of directors on a single vote Insufficient/poor disclosure
10/09/2019	Ashtead Group Plc	Annual	All For		
10/09/2019	Oxford Instruments Plc	Annual	All For		
11/09/2019	Jyske Bank A/S	Special	All For		
11/09/2019	Compagnie Financiere Richemont SA	Annual	Against	8,3 4,1 9 4,2,4,3,4,4,4,6,4,7,4,8,4,11, 4,15,4,17,4,18,4,19,4,20	Apparent failure to link pay & appropriate performance Concerns related to approach to board diversity 2- Lack of Independence on board 3- overboarded/Too many other time commitments Insufficient/poor disclosure Lack of Independence on board
11/09/2019	Sports Direct International Plc	Annual	Abstain Against	9 4 1,5,6,8	Insufficient basis to support a decision Concerns about overall performance Fund manager or client vote
12/09/2019	TURKCELL İletişim Hizmetleri AS	Annual	Against	7,10 9	Insufficient/poor disclosure Lack of Independence on board
12/09/2019	LyondellBasell Industries NV	Special	All For		
12/09/2019	H&R Block Inc.	Annual	Against	3 1h 4 1c	Apparent failure to link pay and appropriate performance Concerns about remuneration committee performance Apparent failure to link pay and appropriate performance Concerns about remuneration committee performance
12/09/2019	NetApp, Inc.	Annual	Against	2 1j 5 4	Apparent failure to link pay & appropriate performance Concerns regarding audit quality SH: For shareholder resolution, against management recommendation / Shareholder proposal promotes better management of ESG opportunities and risks SH: For shareholder resolution, against management recommendation / Shareholder proposal promotes better management of ESG opportunities and risks
12/09/2019	The Kraft Heinz Company	Annual	Against	1j 5 4	Apparent failure to link pay & appropriate performance Concerns regarding audit quality SH: For shareholder resolution, against management recommendation / Shareholder proposal promotes better management of ESG opportunities and risks SH: For shareholder resolution, against management recommendation / Shareholder proposal promotes better management of ESG opportunities and risks
12/09/2019	Ei Group Plc	Court	All For		
12/09/2019	Ei Group Plc	Special	All For		
13/09/2019	NetEase, Inc.	Annual	All For		
13/09/2019	LPP SA	Special	Against	4	Insufficient/poor disclosure
16/09/2019	BCA Marketplace Plc	Annual	Against	2 9 4	Apparent failure to link pay and appropriate performance Concerns related to approach to board diversity Overboarded/Too many other time commitments
16/09/2019	Cobham Plc	Court	All For		
16/09/2019	Cobham Plc	Special	All For		
17/09/2019	Powszechna Kasa Oszczędności Bank Polski SA	Special	Against	5,6,7,8	
17/09/2019	Daejan Holdings Plc	Annual	Against	2 4 8,9,10,11	Apparent failure to link pay and appropriate performance Combined CEO/ChairmanConcerns about overall board structureConcerns related to approach to board diversity Lack of Independence on board
18/09/2019	NICE Ltd. (Israel)	Annual	Against	2a,1,2b,1,3a,4a	Administrative declaration
18/09/2019	Alimentation Couche-Tard Inc.	Annual	All For		
18/09/2019	Darden Restaurants, Inc.	Annual	All For		
18/09/2019	Take-Two Interactive Software, Inc.	Annual	All For		
18/09/2019	Games Workshop Group Plc	Annual	All For		
19/09/2019	Daewoo Engineering & Construction Co., Ltd.	Special	Against	1	Inappropriate bundling of election of directors on a single vote
19/09/2019	AGL Energy Limited	Annual	Against	2 4 5b	Apparent failure to link pay & appropriate performance Apparent failure to link pay and appropriate performance SH: For shareholder resolution, no management recommendation / Shareholder proposal promotes better management of ESG opportunities and risks
19/09/2019	Conagra Brands, Inc.	Annual	Against	3 1l	Apparent failure to link pay and appropriate performance Concerns about remuneration committee performance
19/09/2019	NIKE, Inc.	Annual	All For		
19/09/2019	Auto Trader Group Plc	Annual	All For		
19/09/2019	Diageo Plc	Annual	All For		
19/09/2019	IG Group Holdings Plc	Annual	All For		
20/09/2019	NAVER Corp.	Special	All For		
21/09/2019	HCL Technologies Limited	Court	All For		
23/09/2019	ITC Limited	Special	All For		
23/09/2019	Santander Bank Polska SA	Special	Against	7,8,10,11	Insufficient/poor disclosure
23/09/2019	FedEx Corporation	Annual	Against	2 5	Apparent failure to link pay & appropriate performance SH: For shareholder resolution, against management recommendation / Shareholder proposal promotes transparency Concerns about overall performance
24/09/2019	ASX Limited	Annual	Against	3b	Concerns about overall performance
24/09/2019	Indraprastha Gas Limited	Annual	All For		
24/09/2019	DSV Panalpina A/S	Special	Against	3	Issue of capital raises concerns about excessive dilution of existing shareholders
24/09/2019	General Mills, Inc.	Annual	All For		
25/09/2019	NEXON Co., Ltd.	Special	All For		
25/09/2019	Pan Pacific International Holdings Corp.	Annual	Against	2,1	Concerns related to approach to board diversity
25/09/2019	KEPCO Plant Service & Engineering Co., Ltd.	Special	All For		
25/09/2019	Air New Zealand Limited	Annual	All For		
25/09/2019	Colruyt SA	Annual	Against	2	Apparent failure to link pay and appropriate performance
25/09/2019	L'Occitane International S.A.	Annual	Against	4A,4C	Issue of equity raises concerns about excessive dilution of existing shareholders
25/09/2019	PZ Cussons Plc	Annual	All For		
25/09/2019	Sophos Group Plc	Annual	Against	3 2 2,1	Apparent failure to link pay & appropriate performance Apparent failure to link pay & appropriate performance Concerns related to approach to board diversity
26/09/2019	Peptidream Inc.	Annual	Against	1,2	Apparent failure to link pay and appropriate performance
26/09/2019	SHO-BOND Holdings Co., Ltd.	Annual	All For		
26/09/2019	Suncorp Group Limited	Annual	Against	1,2	Apparent failure to link pay and appropriate performance
26/09/2019	Lamb Weston Holdings, Inc.	Annual	Against	2 1b 4 2,3	Apparent failure to link pay and appropriate performance Concerns related to approach to board diversity Shareholder proposal promotes better management of SEE opportunities and risks Apparent failure to link pay and appropriate performance
26/09/2019	Kainos Group Plc	Annual	Against	2,3	Apparent failure to link pay and appropriate performance
27/09/2019	Sun Art Retail Group Limited	Special	All For		
27/09/2019	Asahi Intecc Co., Ltd.	Annual	All For		
27/09/2019	TechnoPro Holdings, Inc.	Annual	Against	3,6	Concerns about overall board structure
27/09/2019	ULVAC, Inc.	Annual	Against	3,2	Concerns about overall board structure
27/09/2019	Mercury NZ Ltd.	Annual	All For		
27/09/2019	Inner Mongolia Yili Industrial Group Co., Ltd.	Special	Against	2,3,4	Apparent failure to link pay and appropriate performance
27/09/2019	HELLA GmbH & Co. KGaA	Annual	Against	12 11 7,1,7,2,7,3,7,4,7,5,7,7,8,8, 1,8,2,8,3,8,5,8,6,8,7,8,8	Concerns about reducing shareholder rights Concerns about reducing shareholder rights Lack of Independence on board
30/09/2019	Rosneft Oil Co.	Special	All For		

Active ownership

Q3 2019 ESG Impact Report

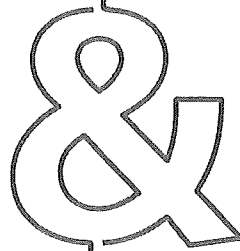


Active ownership means using our scale and influence to bring about **real, positive change to create sustainable investor value.**

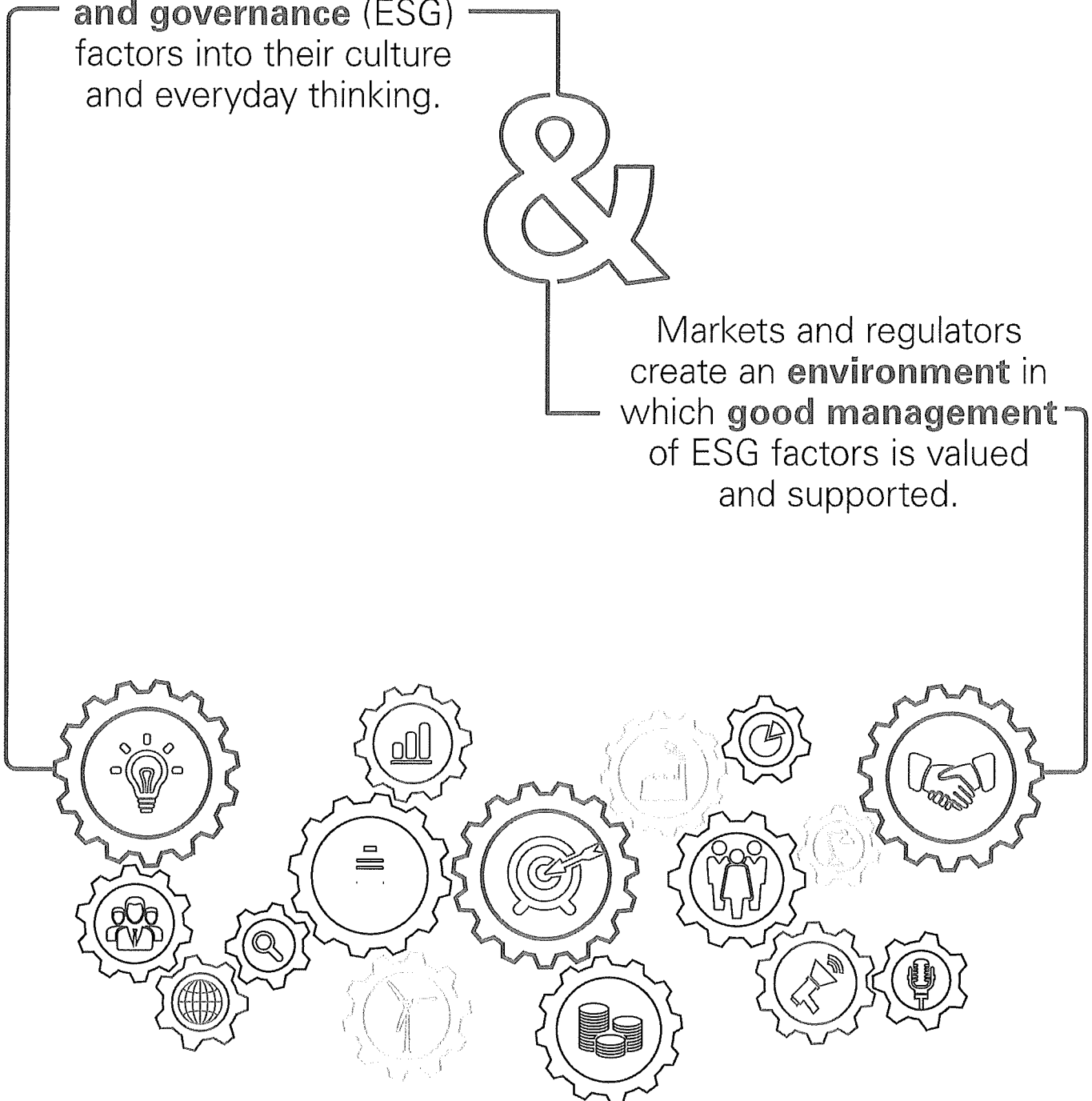
Our mission

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.

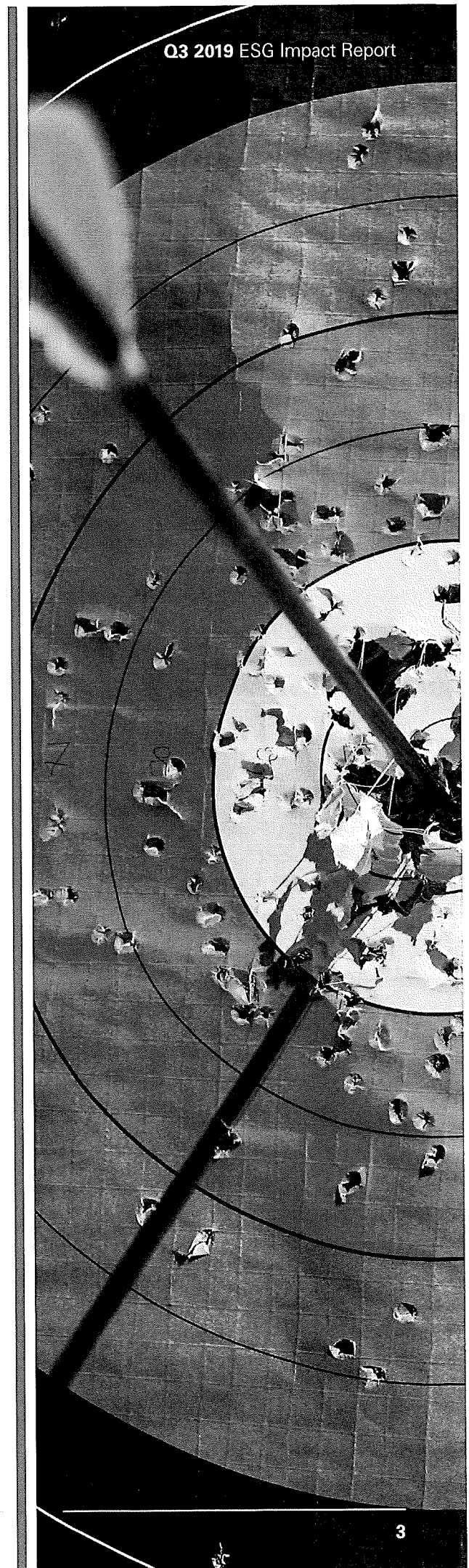
At LGIM, we want to safeguard and grow our clients' assets by ensuring that companies are well positioned for sustainable growth. Our active and enhanced index mandates incorporate ESG factors in the investment process and we consider ESG factors when voting on our holdings in all strategies.

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

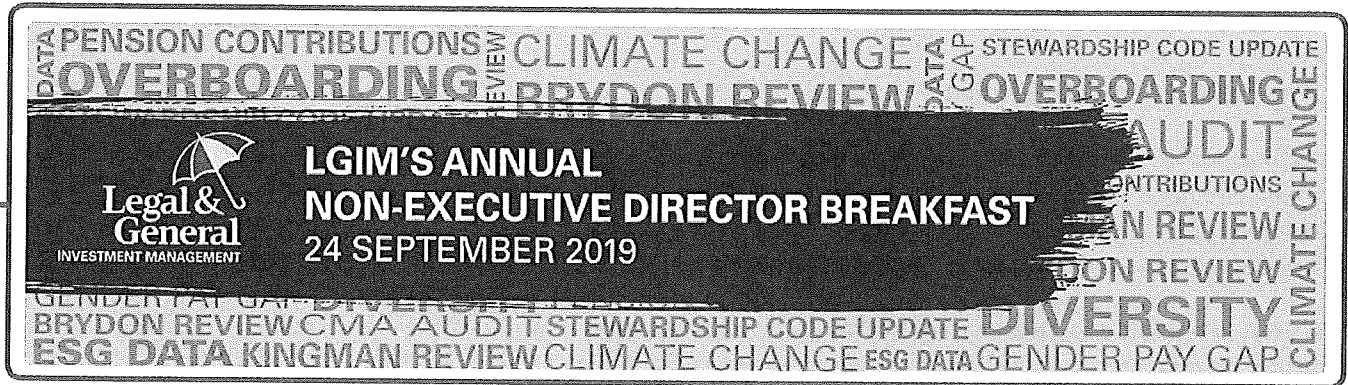
3 Promoting market resilience

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



NON-EXECUTIVE DIRECTOR (NED) BREAKFAST EVENTS IN LONDON AND CHICAGO

LGIM held its fourth NED event in London, which gathered 94 NEDs, board chairs and company secretaries of FTSE 350 companies.

This event was an opportunity for the corporate governance team to present on some of the many financially material Environmental, Social and Governance (ESG) issues that directors need to consider for the long-term success of their companies. These include:

- Changes in green finance
- Corporate culture
- ESG scores
- The importance of ESG in credit markets
- Remuneration: LGIM's 2020 voting policy
- The employee voice
- Diversity

We highlighted how these themes have become a key area of engagement with investors such as LGIM but are also now increasingly used for capital-allocation purposes.

Given the popularity of the event, we decided to organise another event in our Chicago offices to welcome directors of North American companies. In September, LGIM America (LGIMA) hosted its inaugural NED breakfast where the team shared our latest views on engagement priorities and proxy voting policies. This was also an

opportunity to engage with company directors directly. Similar topics to those presented at our London event were discussed, taking into account the specificities of the North American market.

INVESTOR STEWARDSHIP GROUP (ISG) FRAMEWORK ROUNDTABLE AND CORPORATE ISSUERS ROUNDTABLE

We attended this roundtable in the US which brought together the endorsers of the ISG framework as well as issuers. The idea behind the establishment of the framework from both a corporate and an investor's side was shared, as were some implementation and disclosure ideas. A private roundtable was also hosted for the ISG endorsers in order to discuss the development of the framework.

Lastly, we were invited to join a panel to discuss director accountability and how our voting policies reflect this responsibility as well as the key ESG issues we are focused on.

COUNCIL OF INSTITUTIONAL INVESTORS FALL CONFERENCE

LGIM attended this ESG conference where plenary sessions discussed issues including gender diversity, employee motivation, Securities and Exchange Commission guidance for Proxy Advisory Services and the new state of play for renewables companies. We were invited to join a panel to discuss how our Climate Impact Pledge engagement programme holds companies and directors to account on the issue of climate change.

PRINCIPLES FOR RESPONSIBLE INVESTMENT (PRI) CONFERENCE IN PARIS

LGIM attended the PRI conference in Paris along with more than 1,500 responsible investment professionals. Three areas stood out as focal points of this year’s agenda:

- 1) The low-carbon transition, and the role to be played not only by asset managers, but just as importantly by asset owners;
- 2) The significant rise in sustainable finance public policy and regulatory activity across regions, and what this means for all financial market participants; and
- 3) Why and how the UN Sustainable Development Goals (SDGs) are being increasingly considered within investment strategies.

Many of these topics led to robust debate and discussion around the merits and means of adjusting capital allocation, the role and requirement for improved ESG data, and the continued importance of engagement, albeit with a heightened focus on consequences.

In addition, we spoke at a session to an audience of around 400 attendees on the upcoming evolutions in active stewardship.

THOUGHT LEADERSHIP

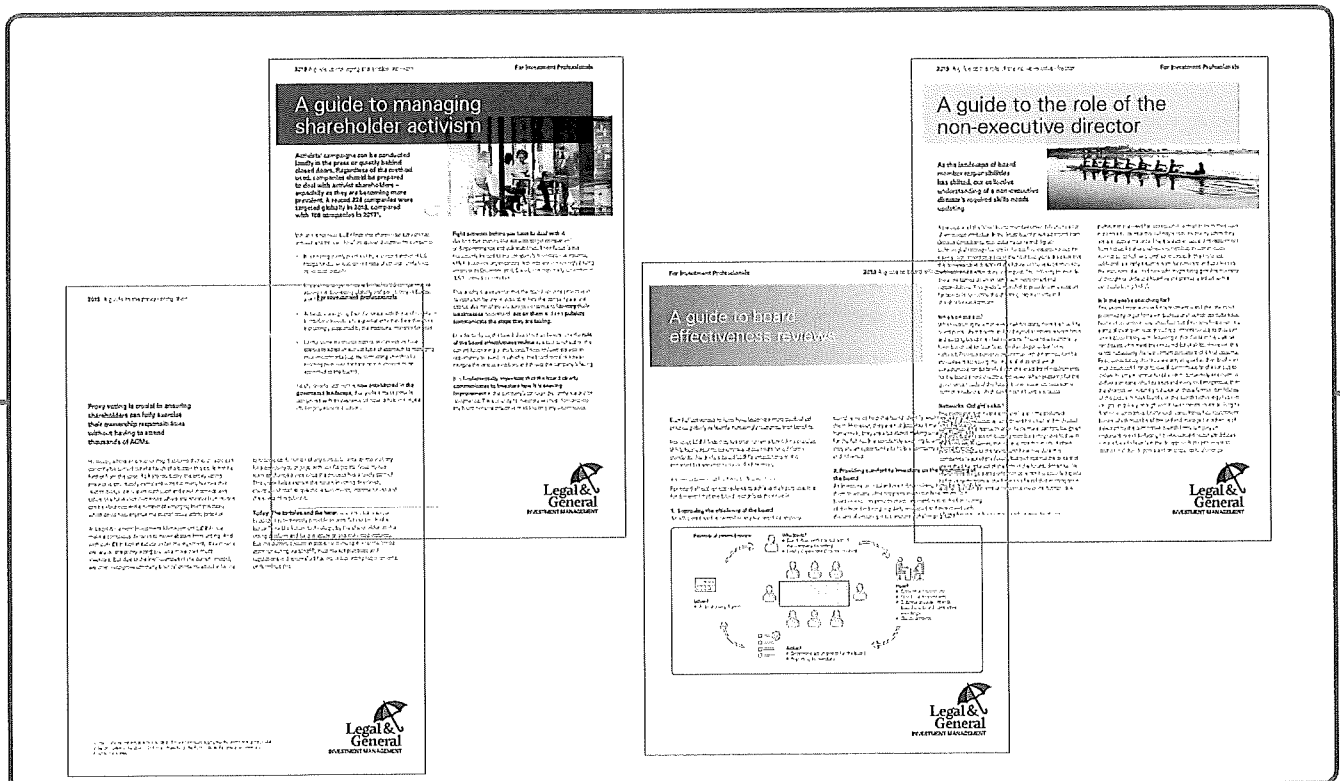
We are committed to improving the ESG standards of the companies we are invested in and share our expertise publicly on topics which we believe are key to helping companies and the overall market better align with best practice. This quarter, we have published additional new guides to our existing series of board guides¹:

- A guide to the proxy voting chain
- A guide to effective employee engagement
- A guide to the role of the non-executive director
- A guide to managing shareholder activism
- A guide to board effectiveness reviews

NEW JOINERS IN THE LONDON OFFICE


Our corporate governance team expanded this quarter with two new recruits joining our London office:

- Clinton Adas, ESG Product Specialist, who is responsible for leading our client-related ESG activity.
- Alexander Burr, ESG Public Policy Analyst, who is responsible for leading our public policy engagement activity.



1. Guides available on our website at: <https://www.lgim.com/uk/en/capabilities/corporate-governance/influencing-the-debate/>

Engagement in the UK



Case study:
FirstGroup PLC

Market cap:
£1.59 billion

Sector:
Rail

What is the issue? The performance of the company had been weak for a number of years. Following a profit warning in February 2018, the chief executive stepped down.

On 25 June 2019, shareholder activist Coast Capital convened a shareholder meeting to appoint seven directors to the board of the company and remove six company directors including the board chair and the chief executive.

Coast Capital made strategy proposals such as:

- The company exits its rail business
- Separate the company's US and UK assets
- The immediate payment of a dividend

David Martin, one of the nominees of the activist, failed to confirm his intention to stand for election before the deadline. The resolution on his appointment to the board could not therefore be validly voted on by shareholders.

Why is it an issue? The activist's proposals were potentially disruptive for the company.

What did LGIM do? LGIM engaged directly with both sides: the company's Senior Independent Director (SID) and the activist. We also consulted other top shareholders on their views.

LGIM decided to cast a vote against the board chair to signal our concerns around the pace of execution of the strategy and poor performance. We supported the rest of the board and opposed the activist's nominees.

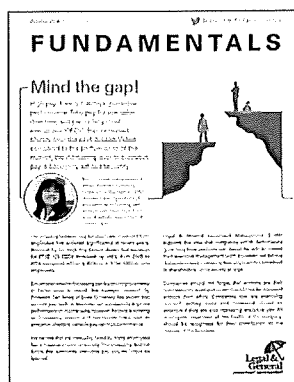
What was the outcome? Many of the company's top shareholders publicly pre-announced their support to the activist's proposals.

More than 20% of shareholders voted in favour of several resolutions against the board's recommendations. The activist's proposal to remove the chair from the board obtained 29% of support from shareholders. The chair took into account the shareholder vote and decided to leave the board.

The SID led the succession process and David Martin, ex-CEO of Arriva but also one of the original candidates put forward by the activist, was appointed board chair.

LGIM recently met the new board chair to discuss the composition of the board, but importantly also the performance of the management team and execution of the strategy.

LGIM's actions to deliver pension equality in the UK



In 2016, as part of its campaign to reduce pay inequality in the UK, LGIM published “Mind the Gap” to highlight our concerns. We also revised our Principles on Executive Pay for UK companies. Our updated guidelines asked for pension provisions for executive directors to be aligned with that of their workforce. We

also engaged on the topic directly with companies.

The pension provisions for FTSE 100 chief executives are on average four times higher than those received by employees¹. Most executive directors receive pension payments as cash supplements that range from 10% to 40% of their salary, while most employees receive pension payments of between 2% and 10%. The level of disparity in pension benefits led us to conclude that action on the topic was necessary.

LGIM used our voice on the remuneration committee of the Investment Association (IA) – which represents a large number of investment firms managing £7.7 trillion of assets² – to help propose changes to its Principles of Executive Remuneration to require listed companies to align executive pension provisions with those of their workforce. Accordingly, these principles were amended.

In 2017, we already noted that companies had taken steps to reduce the pension provisions for their executive directors. In many instances, this change was made when a new executive was appointed; however, some companies went further by reducing pensions for existing directors. The extent of the reductions varied greatly between companies, with the largest reduction at Capital & Counties from 24% of salary to 10% of salary.

In 2018, we further strengthened our Principles of Executive Remuneration to state that from January 2020, **LGIM would vote against any pay policy that did not align the pension provisions of any new director joining the company (also including role changes) with those of the average workforce.**

In addition, we responded to the Financial Reporting Council’s (FRC) consultation on revisions to the UK Corporate Governance Code asking for pension alignment. LGIM was pleased that the FRC took on board our feedback in the revised UK Corporate Governance Code.

LGIM has focused its efforts to drive changes for new executives rather than force a remuneration committee to change the pension provisions for existing executive directors (existing contracts). Nevertheless, where companies continue to provide an executive pension provision of 25% of salary or more, we have asked remuneration committees asked all remuneration committees to encourage executive directors to take into account social sensitivities and **voluntarily reduce their pension provisions.**

In 2019, more companies made changes to their pension provisions. For instance, HSBC, which took into account investor feedback including LGIM’s, reduced its pension provisions for new and existing executive directors from 30% to 10% of salary. **In total, 20 FTSE 100 companies have agreed to reduce the pension provisions for new executives so far in 2019³.**

We expect that pension provisions for existing directors will become more aligned with those of their workforce over the next few years, given the rotation of executive directors and also possibly voluntary reductions. LGIM will continue our strong engagement on the topic.

1. Source: LCP research

2. <https://www.thelga.org/about-us>

3. Source: Investment Association, Position on executive director pension provision, September 2019

US Technology Engagement Campaign - Measuring Culture

WHY DID WE CONDUCT THIS ENGAGEMENT CAMPAIGN?

Understanding a firm's culture, and its trajectory, is critically important to LGIM as investors oriented for the long term¹, yet we acknowledge that existing data and tools are not sufficient. While some claim to be able to get an instant grasp on culture by walking the floors of a company, we can find it difficult to track as an external investor. LGIM gathered direct input from companies into how we should thoughtfully assess culture.

We decided to pilot this campaign with a group of **13 of the largest US technology firms** because of our investment exposure and the clear role of culture to sustained performance, as well as the influence these companies have globally.

WHAT DID WE DO?

We sent a letter to the CEOs of each company requesting a conversation with the appropriate executive who could speak about how the company measures its culture. We then conducted a structured conversation with the company which covered multiple dimensions of culture: metrics, board involvement, relation to strategy, processes and remuneration.

WHAT DID WE OBSERVE?

The tenor, quality and insights gathered from the calls varied significantly. In one case, a company talked about a world-class culture with essentially no formal tracking beyond stated behavioural expectations. Another company articulated the steps it took to fully overhaul its culture to reflect a fundamentally different business strategy. A third company is utilising its big-data analytical expertise to test and reinforce culture in essentially real-time using daily feedback. Technology in action!

Whilst their approaches differ, we have summarised below our learnings:

- **We were surprised by the range of people who joined the call given the identical request:** 50% had a human-resource-related executive on the phone; the others were only represented by investor relations, which is a concern to us. We noted that the companies with established investor-engagement programs tended to have an executive on the phone.
- **Use of employee engagement surveys:** All companies conducted engagement surveys and most had significantly changed the content over the past three years. **30% articulated and displayed advanced use of data analytics to reinforce culture and improve engagement.** For example, one company knew the exact question that was statistically correlated to high performers leaving in 12 months and had a specific intervention strategy. It was widely acknowledged that survey results are not an indication of culture per se, but instead one of many metrics that can be used to hone in on and improve culture.
- **Lack of evidenced board involvement:** Most companies passed aggregated engagement results to the board at regular intervals, which from our point of view is a minimum standard. When prompted further on what the board does with the results, **very few examples of concrete actions** were provided. We would like to see structured and unstructured time for the board to meet with various levels of employees to contextualise the data.

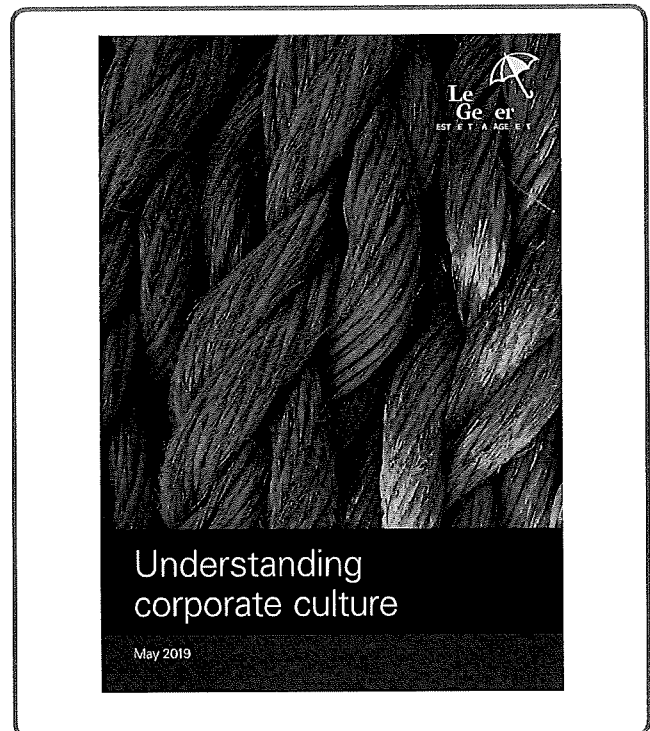
1. Source: CECP, Emerging Practice in Long-Term Plans; http://cecp.co/wp-content/uploads/2018/10/CECP_Emerging-Practice-in-LTPs_Final.pdf

- **Role of diversity in culture:** The firms have vastly different profiles in terms of gender representation at the executive levels, from less than 10% to roughly 40%. **There is a correlation between companies that publicly report their gender statistics and narrower pay ratios.**
- **Declining our request:** One of the companies denied our repeated call requests. We fully acknowledge that this is a difficult topic to engage on, which is exactly why we believe a constructive dialogue is important. Interestingly, this company is also the subject of highly publicised employee culture issues, which we find concerning.

WHAT IS NEXT?

There is growing demand for increased transparency on culture-related metrics – from our asset management peers, the ESG framework groups (e.g. the Sustainability Accounting Standards Board – SASB), workplace advocacy organisations (e.g. the Workforce Disclosure Initiative, Human Capital Management Coalition) to even a recent proposal by the Securities and Exchange Commission². We expect the emergence of best practices to form over the next few years and more standardised metrics thereafter. We will continue to engage with technology companies and use these findings to strengthen our dialogue on the topic with companies in other sectors and regulators.

LGIM's latest guide on the topic is available on our [website](#)



2. <https://www.sec.gov/rules/proposed/2019/33-10668.pdf>

Sustainability engagement

Amid inverted yield curves and worries of a UK recession, the third quarter of 2019 might not have been the best time for the sterling, but it was a remarkable period for Celsius – with the hottest July and September in recorded history¹.

Facing growing pressure to address the climate crisis, after passing landmark legislation mandating net zero greenhouse gas emissions by 2050, in July this year the UK government published its Green Finance Strategy. All listed companies and large asset owners are now expected to report publicly by 2022 on how they are managing the risks from climate change. Initially voluntary, such reporting could well become mandatory, with the UK's financial regulators issuing a joint statement on climate change saying they will be watching firms' responses closely². The heightened policy and regulatory focus around sustainable finance is not confined to the UK, but rather expanding across regions. In particular, through the EU's Sustainable Finance Package, pension funds, banks, financial advisers and insurers are facing growing scrutiny; work is in full flow to incorporate sustainability into relevant legislation.

We continue our policy advocacy in support of a low-carbon economy. In the UK, Legal & General was one of a number of business leaders to publicly support a net zero target³, which was subsequently enshrined into law⁴. Recognising the direct impact of our investments, **our Real Assets division has now committed to a net zero real estate portfolio**. In the EU, we **responded to the public consultation on developing benchmark indices aligned with the Paris**

Agreement. This builds on the many sustainable finance policy consultations we submitted to the EU and UK bodies over the course of the first half of the year. In the run-up to the UN Climate Action Summit in early September, **LGIM joined the largest-ever group of investors calling on governments to step up their climate ambition**⁵.

We also continue to push companies to step up on sustainability. In the aftermath of the devastating Amazon fires, **LGIM – alongside 200 other investors – issued a public call on companies to act on deforestation**⁶. This follows our decision in the second quarter to exclude a number of food retailers from our FutureWorld fund range, partly due to poor deforestation policies⁷.

The far-reaching financial implications of climate change require a systematic approach. Yet, as the UK pensions minister recently noted,

“More than half of fund managers had no climate change-related voting policies or guidelines. This is utterly unacceptable. There are of course some notable exceptions. [...] Legal & General's FutureWorld Fund withdraws investment in companies who don't engage with climate change, forcing those firms to act fast in the hope of being reinstated.”

- Guy Opperman MP, Minister for Pensions and Financial Inclusion⁸

His remarks come as independent research finds **LGIM**

1. <https://eu.usatoday.com/story/news/nation/2019/10/04/global-warming-september-2019-hottest-record/3865898002/>

2. <https://www.bankofengland.co.uk/prudential-regulation/publication/2019/joint-statement-on-climate-change>

3. See the letter from Legal & General's CEO to the UK PM: <https://www.legalandgeneralgroup.com/media-centre/in-the-news/climate-change-legal-general-issue-letter-to-theresa-may/>

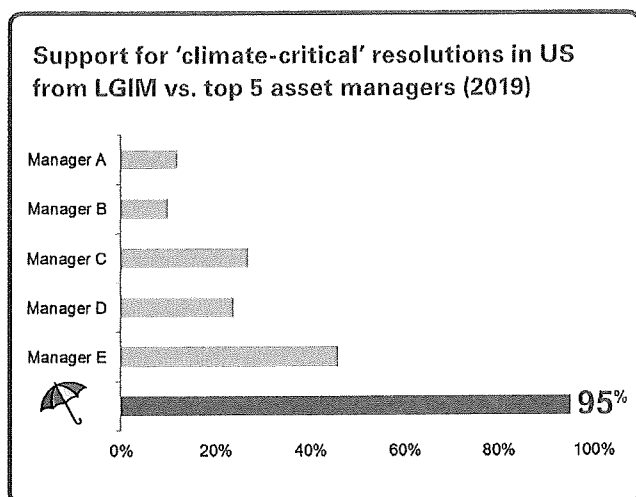
4. <https://www.corporateleadersgroup.com/reports-evidence-and-insights/news-items/businesses-urge-2050-legislation>

5. <https://theinvestoragenda.org/focus-areas/policy-advocacy/>

6. <https://www.unpri.org/news-and-press/230-investors-with-usd-162-trillion-in-aum-call-for-corporate-action-on-deforestation-signaling-support-for-the-amazon/4867.article>

7. <https://www.lgim.com/uk/en/insights/our-thinking/market-insights/climate-impact-pledge-tackling-the-climate-emergency.html>

8. https://www.responsible-investor.com/home/article/guy_opperman_ri/



supported over 95% of 'climate-critical' shareholder resolutions in 2019⁹, versus an average of 24% for the world's five largest asset managers.

Looking at the US energy and utility sectors, the research found **in 2019 LGIM opposed more pay packages than any other larger asset manager, and was among the least likely to automatically vote in favour of the election of directors.** This is the result of increasingly stringent voting guidelines on issues including pay and director independence. These statistics reflect LGIM's commitment to the importance of not just robust climate strategies, but of the sound governance structures required for implementation.

More broadly, **LGIM was highlighted as a top supporter of resolutions calling on companies to report on how they are using investors' money to lobby governments.**

Shareholders are increasingly concerned that companies might be paying lip-service to climate action, while covertly – or perhaps unwittingly – financing obstructive lobbying through the trade bodies of which they are members¹⁰. Some of the largest companies in the world – including Royal Dutch Shell, BASF, and RioTinto – are now reviewing their lobbying activities and taking positive steps, with a number of further announcements expected from other companies following their AGMs this autumn.

Transparency on lobbying is key, as companies that are not seen to be credibly aligned with the low-carbon transition risk losing their social licence to operate.


As shown by the recent climate strikes on 21 September – when four million people took to the streets globally – public pressure for climate action is on the rise. A member of the team went to the London demonstrations; you can read our latest [blog](#)¹¹ to find out what we've learned from speaking to the protesters about the planet and their pensions.

9. Source: Majority Action - Climate in the Boardroom (2019), analysis of the voting records of the world's 25 largest asset managers looking at support for management (directors and say-on-pay votes) in large capitalisation US energy and utility companies, climate proposals at S&P 500 companies, and political lobbying transparency at 49 energy, 2 auto and 1 financial services companies. <https://www.majorityaction.us/asset-manager-report>

10. <https://www.ipe.com/news/esg/uk-danish-pension-funds-file-lobbying-resolution-against-bhp> <https://www.ipe.com/news/esg/uk-danish-pension-funds-file-lobbying-resolution-against-bhp/10033111.fullarticle>

11. <https://futureworldblog.lgim.com/categories/themes/climate-strike-two-and-we-re-out-of-the-office/>

Case study



Case study:
Enea SA

Market cap:
USD 949 million

Sector:
Utilities

What is the issue? The company plans to build a large coal-fired power plant at Ostrołęka C, in a joint venture with another major Polish utility (Energa SA).

Why is it an issue? The companies approved the project without having secured full funding for it. Dubbed 'Europe's last new coal plant', analysts had warned the project could be permanently unprofitable due to increasingly stringent EU regulation and cleaner, cheaper alternatives.

Through its index funds, LGIM is by default invested in Enea and Energa. We believed the project poses a financial risk for LGIM and other shareholders, in addition to coal having significant negative environmental and health effects.

What did LGIM do? LGIM opposed the proposal to build the plant when it was put to a vote at Enea's extraordinary general meeting last year.

We then coordinated a private letter to the two Polish utilities reiterating our opposition, alongside other investors. We later escalated our position by speaking out publicly about our concerns, receiving press coverage from major news agencies.

Our concerns were cited in a shareholder lawsuit against the company, filed by environmental law group ClientEarth.

What was the outcome? In this world-first climate risk case, in August 2019 a Polish court upheld ClientEarth's complaint, revoking the initial building decision¹².

Reflecting the market's concerns around the financial viability of new coal plants, shares in Enea jumped on the news.

12. <https://www.clientearth.org/press/court-win-world-first-climate-case-ostroleka-c-future-in-question/>

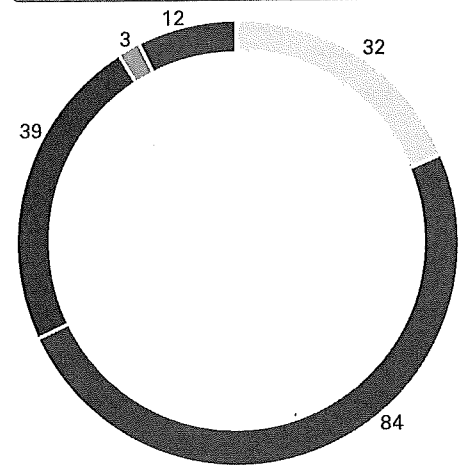
Regional updates

UK

Q3 2019 VOTING SUMMARY UK

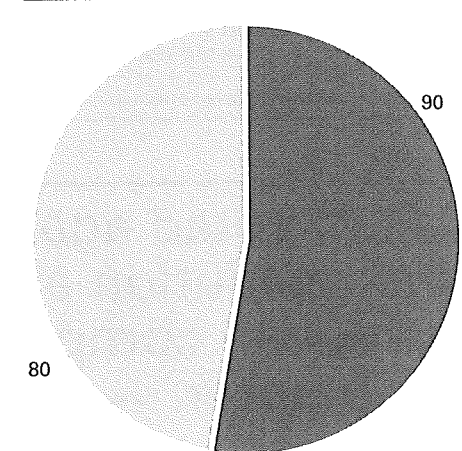
Proposal category	UK		
	For	Against	Abstain
Anti-takeover Related	100		
Capitalisation	502	32	
Directors Related	943	84	
Non-salary Compensation	171	39	
Reorganisation and Mergers	31	3	
Routine/Business	632	12	
Shareholder Proposal - Compensation			
Shareholder Proposal - Corporate Governance			
Shareholder Proposal - Directors Related			
Shareholder Proposal - General Economic Issues			
Shareholder Proposal - Health/Environment			
Shareholder Proposal - Other/Miscellaneous			
Shareholder Proposal - Routine/Business			
Shareholder Proposal - Social/Human Rights			
Shareholder Proposal - Social			
Total	2379	170	0
Total resolutions	2549		
No. AGMs	148		
No. EGMs	36		
No. of companies voted	170		
No. of companies where voted against management on at least one resolution	80		
% no. of companies where at least one vote against	47%		

Votes against



- Capitalisation
- Directors Related
- Non-salary Compensation
- Reorganisation and Mergers
- Routine/Business

Number of companies voted for/against



- No. of companies supported
- No. of companies where voted against management

'LGIM voted against at least one resolution at 47% of UK companies over the quarter.'

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

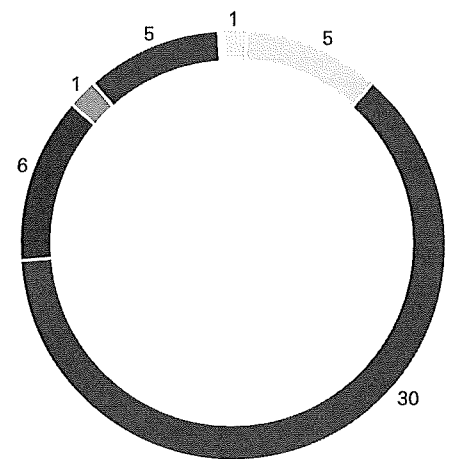
Regional updates

Europe

Q3 2019 VOTING SUMMARY EUROPE

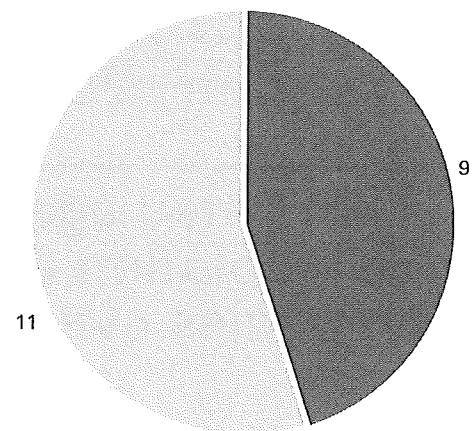
Proposal category	EUROPE		
	For	Against	Abstain
Anti-takeover Related			
Capitalisation	21	5	
Directors related	72	30	
Non-salary Compensation	30	6	
Reorganisations and Mergers	5	1	
Routine/Business	84	5	
Shareholder Proposal - Compensation			
Shareholder Proposal - Corporate Governance			
Shareholder Proposal - Directors Related			
Shareholder Proposal - General Economic Issues			
Shareholder Proposal - Health/Environment			
Shareholder Proposal - Other/Miscellaneous	3	1	
Shareholder Proposal - Routine/Business	1		
Shareholder Proposal - Social/Human Rights			
Shareholder Proposal - Social			
Total	216	48	
Total resolutions	264		
No. AGMs	10		
No. EGMs	10		
No. of companies voted	20		
No. of companies where voted against management on at least one resolution	11		
% no. of companies where at least one vote against	55%		

Votes against



- Capitalisation
- Directors Related
- Non-salary Compensation
- Reorganisation and Mergers
- Routine/Business
- Shareholder Proposal - Other/Miscellaneous

Number of companies voted for/against



- No. of companies where supported management
- No. of companies where voted against management

'LGIM voted against at least one resolution at 55% of European companies over the quarter.'

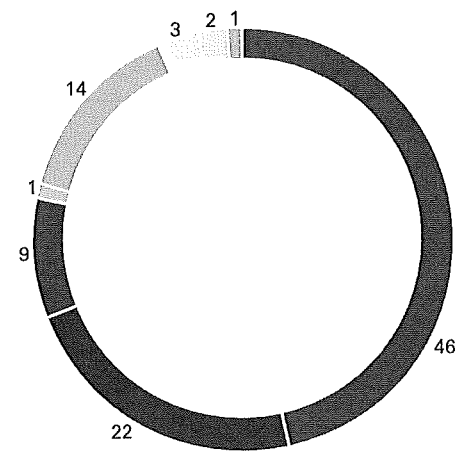
Regional updates

North America

Q3 2019 VOTING SUMMARY NORTH AMERICA

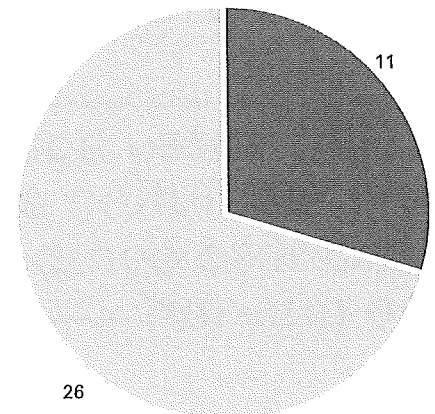
Proposal category	NORTH AMERICA		
	For	Against	Abstain
Anti-takeover Related	7		
Capitalisation	7		
Directors Related	202	46	
Non-salary Compensation	21	22	
Reorganisations and Mergers	7		
Routine/Business	23	9	
Shareholder Proposal - Compensation	1	1	
Shareholder Proposal - Corporate Governance			
Shareholder Proposal - Directors Related	8	14	
Shareholder Proposal - General Economic Issues			
Shareholder Proposal - Health/Environment		3	
Shareholder Proposal - Other/Miscellaneous		2	
Shareholder Proposal - Routine/Business			
Shareholder Proposal - Social/Human Rights		1	
Shareholder Proposal - Social	1		
Total	277	98	
Total resolutions	375		
No. AGMs	27		
No. EGMs	11		
No. of companies voted	37		
No. of companies where voted against management on at least one resolution	26		
% no. of companies where at least one vote against	70%		

Votes against



- Directors Related
- Non-salary Compensation
- Routine/Business
- Shareholder Proposal - Compensation
- Shareholder Proposal - Directors Related
- Shareholder Proposal - Health/Environment
- Shareholder Proposal - Other/Miscellaneous
- Shareholder Proposal - Social/Human Rights

Number of companies voted for/against



- No. of companies where supported management
- No. of companies where voted against management

'LGIM voted against at least one resolution at 70% of North American companies over the quarter.'

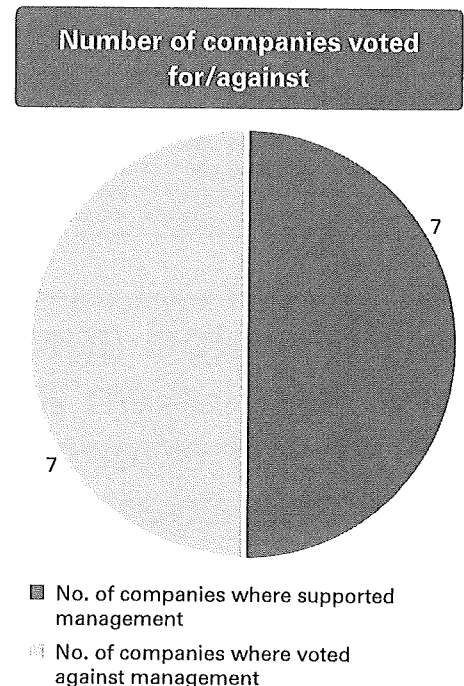
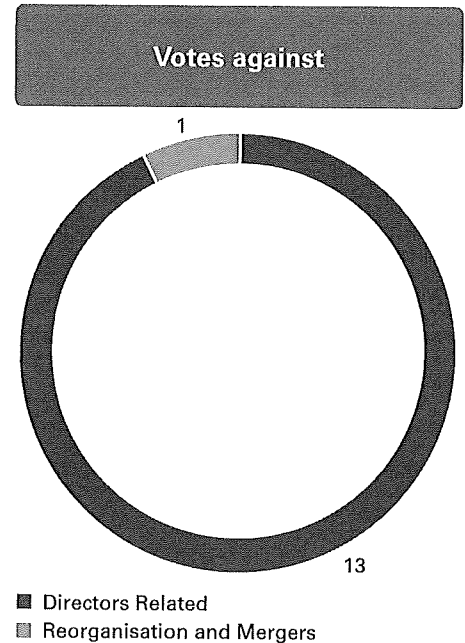
Source for all data LGIM. The votes above represent voting instructions for our main FTSE pooled index funds

Regional updates

Japan

Q3 2019 VOTING SUMMARY JAPAN

Proposal category	JAPAN		
	For	Against	Abstain
Anti-takeover Related			
Capitalisation	10		
Directors Related	103	13	
Non-salary Compensation			
Reorganisations and Mergers	2	1	
Routine/Business	11		
Shareholder Proposal - Compensation			
Shareholder Proposal - Corporate Governance			
Shareholder Proposal - Directors Related			
Shareholder Proposal - General Economic Issues			
Shareholder Proposal - Health/Environment			
Shareholder Proposal - Other/Miscellaneous			
Shareholder Proposal - Routine/Business			
Shareholder Proposal - Social/Human Rights			
Shareholder Proposal - Social			
Total	126	14	
Total resolutions	140		
No. AGMs	13		
No. EGMs	1		
No. of companies voted	14		
No. of companies where voted against management on at least one resolution	7		
% no. of companies where at least one vote against	50%		



'LGIM voted against at least one resolution at 50% of Japanese companies over the quarter.'

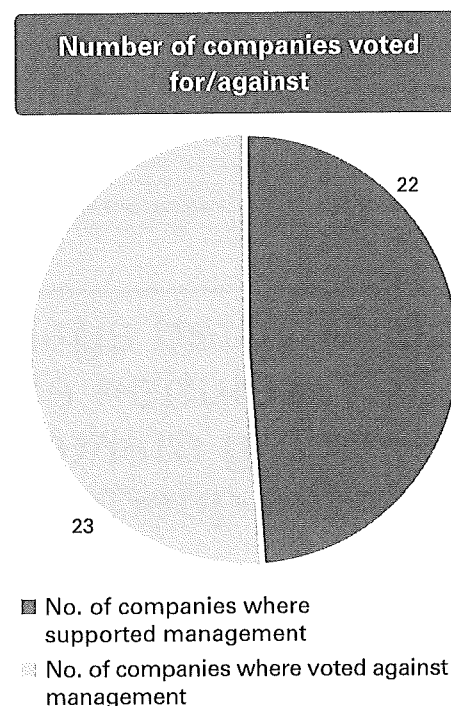
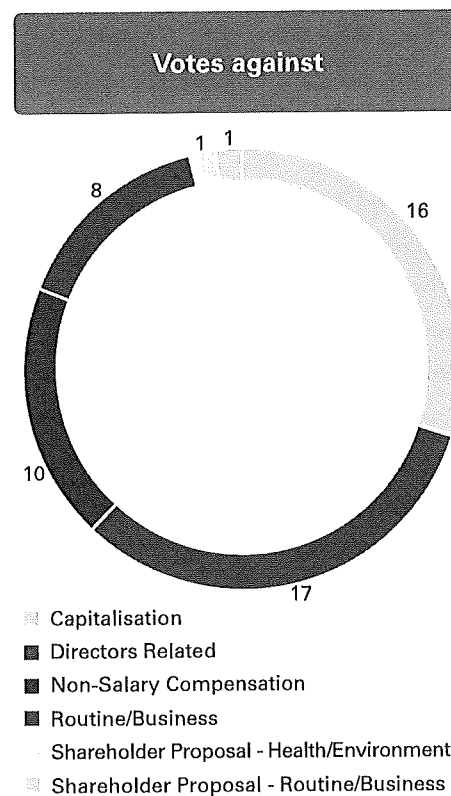
Source for all data LGIM. The votes above represent voting instructions for our main FTSE pooled index funds

Regional updates

Asia Pacific

Q3 2019 VOTING SUMMARY ASIA PACIFIC

Proposal category	ASIA PACIFIC		
	For	Against	Abstain
Anti-takeover Related	2		
Capitalisation	36	16	
Directors Related	103	17	
Non-salary Compensation	22	10	
Reorganisations and Mergers	13		
Routine/Business	59	8	
Shareholder Proposal - Compensation			
Shareholder Proposal - Corporate Governance			
Shareholder Proposal - Directors Related			
Shareholder Proposal - General Economic Issues			
Shareholder Proposal - Health/Environment	2	1	
Shareholder Proposal - Other/Miscellaneous			
Shareholder Proposal - Routine/Business	1	1	
Shareholder Proposal - Social/Human Rights			
Shareholder Proposal - Social			
Total	238	53	
Total resolutions		291	
No. AGMs		33	
No. EGMs		12	
No. of companies voted		45	
No. of companies where voted against management on at least one resolution		23	
% no. of companies where at least one vote against		51%	



'LGIM voted against at least one resolution at 51% 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

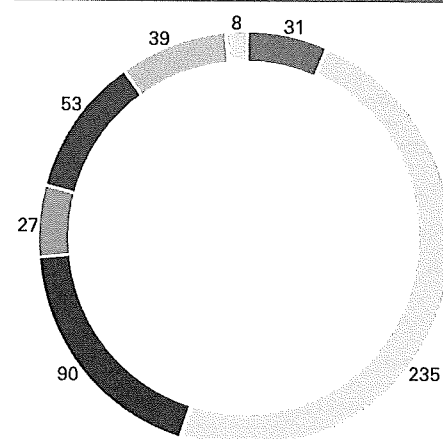
Emerging markets

Q3 2019 VOTING SUMMARY EMERGING MARKETS

Proposal category	EMERGING MARKETS		
	For	Against	Abstain
Anti-takeover Related	333	31	
Capitalisation	766	213	22
Directors Related	79		
Non-salary Compensation	89	90	
Reorganisations and Mergers	94	27	
Routine/Business	512	53	
Shareholder Proposal - Compensation			
Shareholder Proposal - Corporate Governance			
Shareholder Proposal - Directors Related	5	39	
Shareholder Proposal - General Economic Issues			
Shareholder Proposal - Health/Environment			
Shareholder Proposal - Other/Miscellaneous			
Shareholder Proposal - Routine/Business		8	
Shareholder Proposal - Social/Human Rights			
Shareholder Proposal - Social			
Total	1878	461	22
Total resolutions	2361		
No. AGMs	158		
No. EGMs	126		
No. of companies voted	272		
No. of companies where voted against management /abstained on at least one resolution	152		
% no. of companies where at least one vote against	56%		

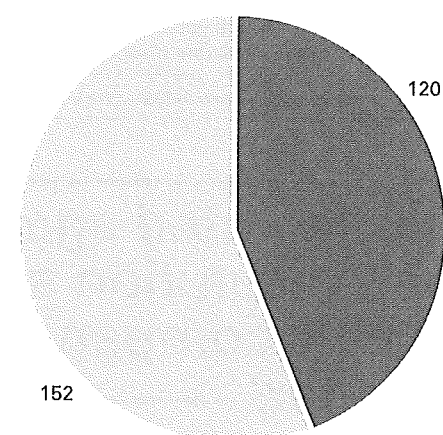
'LGIM voted against at least one resolution at 56% of emerging markets companies over the quarter.'

Votes against and abstentions



- Antitakeover
- Capitalisation
- Non-salary Compensation
- Reorganisations and Mergers
- Routine/Business
- Shareholder Proposal - Directors Related
- Shareholder Proposal - Routine/Business

Number of companies voted for/against/abstentions



- No. of companies where supported management
- No. of companies where voted against management (includes abstentions)

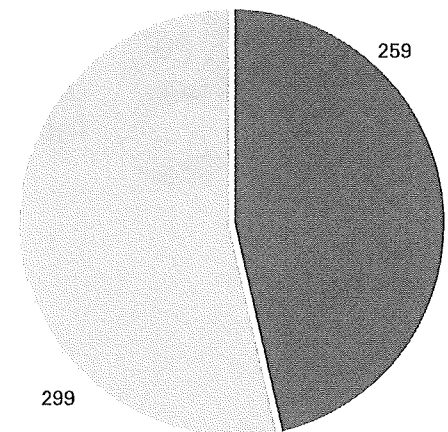
Source for all data LGIM. The votes above represent voting instructions for our main FTSE pooled index funds

Global Voting summary

VOTING TOTALS

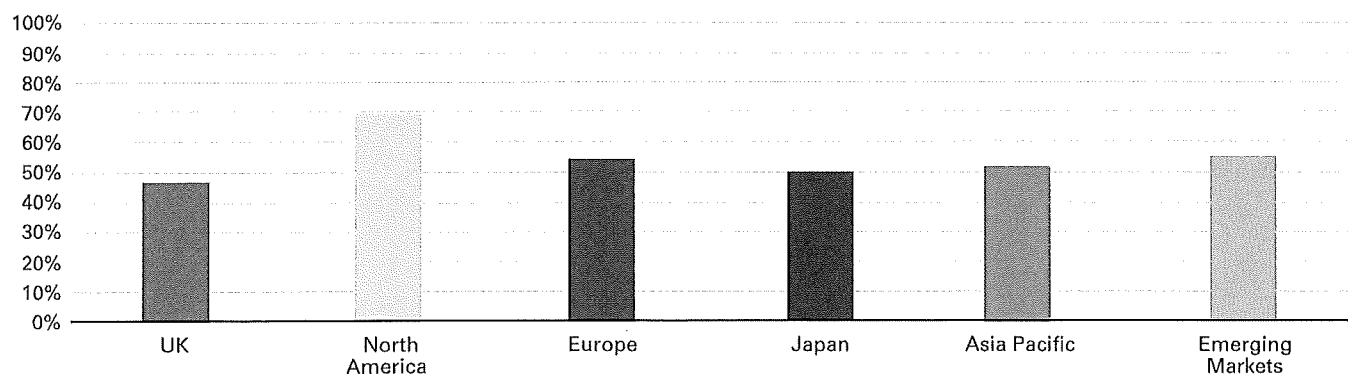
Proposal category	For	Against	Abstain	Total
Anti-takeover Related	442	31	0	473
Capitalisation	1342	266	22	1630
Directors Related	1502	190	0	1692
Non-salary Compensation	333	167	0	500
Reorganisations and Mergers	152	32	0	184
Routine/Business	1321	87	0	1408
Shareholder Proposal - Compensation	1	1	0	2
Shareholder Proposal - Corporate Governance	0	0	0	0
Shareholder Proposal - Directors Related	13	53	0	66
Shareholder Proposal - General Economic Issues	0	0	0	0
Shareholder Proposal - Health/Environment	2	4	0	6
Shareholder Proposal - Other/Miscellaneous	3	3	0	6
Shareholder Proposal - Routine/Business	2	9	0	11
Shareholder Proposal - Social/Human Rights	0	1	0	1
Shareholder Proposal - Social	1	0	0	1
Total resolutions	5114	844	22	5980
No. AGMs	389			
No. EGMs	196			
No. of companies voted	558			
No. of companies where voted against management /abstained on at least one resolution	299			
% no. of companies where at least one vote against	54%			

Number of companies voted for/against/abstentions

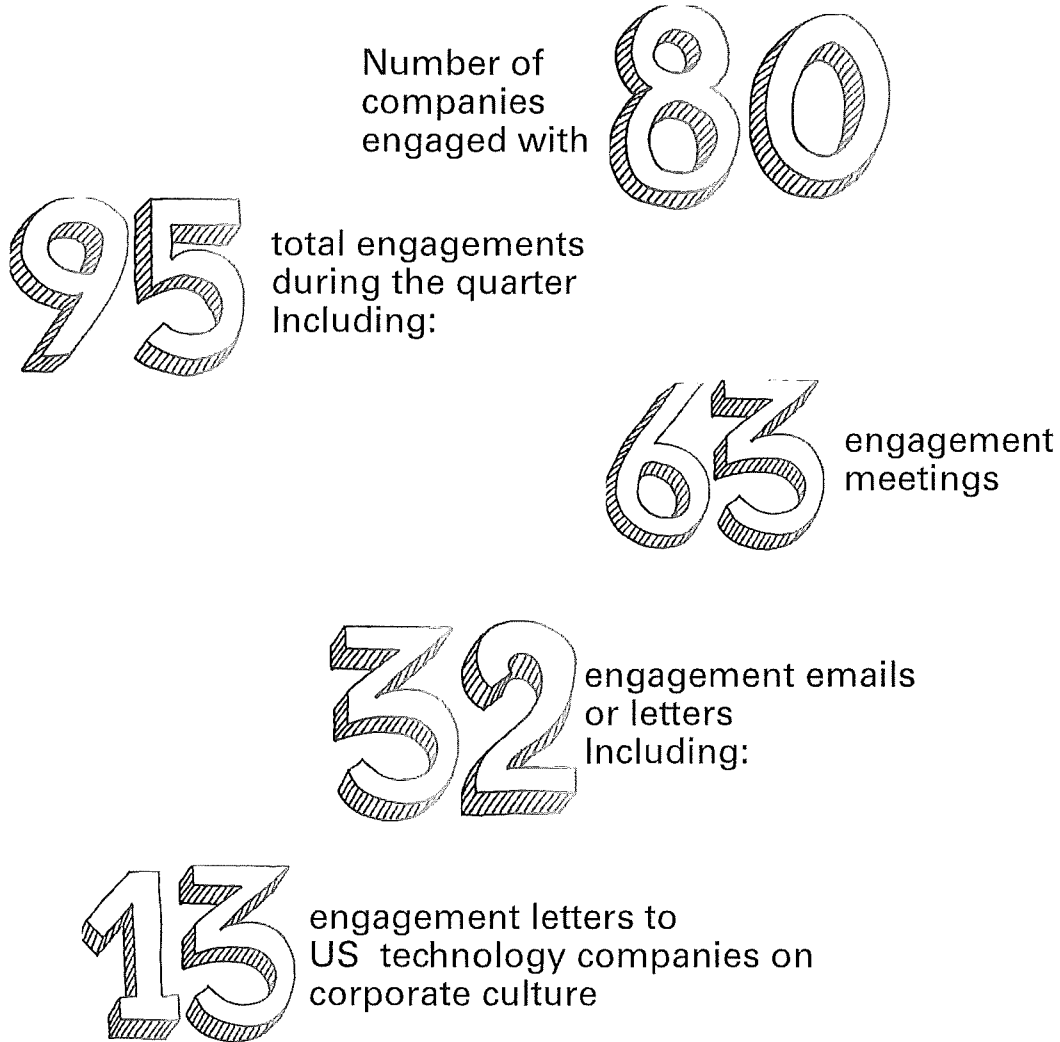


- No. of companies where supported management
- No. of companies where voted against management (includes abstention)

% of companies with at least one vote against (includes abstentions)



Global Engagement Summary



Number of engagements on environmental topics:

13

Number of engagements on social topics:

39

Number of engagements on governance topics:

53

Number of engagements on other topics (e.g. financial and strategy):

25

Number of engagements on ESG (e.g. Future World Protection List):

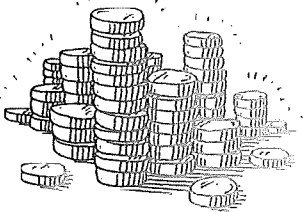
3

% of engagements on environmental and social topics:

54%

Top five engagement topics:

1



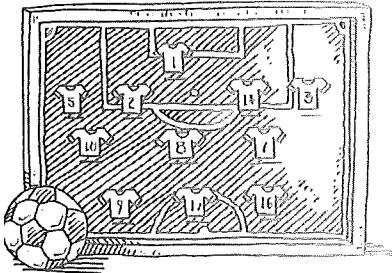
Remuneration

2



Corporate culture

3



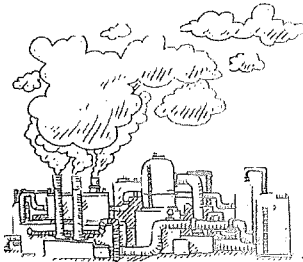
Strategy

4



Board composition

5



Climate Change

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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