Lancashire Council Pension Fund

PROXY VOTING REVIEW

PERIOD 1st October 2014 TO 31st December 2014

Contents

1 Resolution Analysis

- Number of resolutions voted: 351 (note that it MAY include non-voting items).
- Number of resolutions opposed by client: 102

1.1 Number of meetings voted by geographical location

Location	Number of Meetings Voted
UK & BRITISH OVERSEAS	7
EUROPE & GLOBAL EU	5
USA & CANADA	13
ASIA	5
AUSTRALIA & NEW ZEALAND	13
TOTAL	43

1.2 Number of Resolutions by Vote Categories

Vote Categories	Number of Resolutions
For	213
Abstain	20
Oppose	102
Non-Voting	7
Not Supported	0
Withhold	9
US Frequency Vote on Pay	0
Withdrawn	0
TOTAL	351

1.3 Number of Votes by Region

	For	Abstain	Oppose	Non-Voting	Not Supported	Withhold	Withdrawn	US Frequency Vote on Pay	Total
UK & BRITISH OVERSEAS	66	7	9	0	0	0	0	0	82
EUROPE & GLOBAL EU	10	2	10	0	0	0	0	0	22
USA & CANADA	76	5	43	0	0	9	0	0	133
ASIA	17	2	7	0	0	0	0	0	26
AUSTRALIA & NEW ZEALAND	44	4	33	7	0	0	0	0	88
TOTAL	213	20	102	7	0	9	0	0	351

1.4 Votes Made in the UK Per Resolution Category

	UK						
	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
All Employee Schemes	1	0	0	0	0	0	0
Annual Reports	6	2	5	0	0	0	0
Articles of Association	0	0	0	0	0	0	0
Auditors	5	3	0	0	0	0	0
Corporate Actions	1	0	0	0	0	0	0
Corporate Donations	2	1	0	0	0	0	0
Debt & Loans	0	0	0	0	0	0	0
Directors	32	1	3	0	0	0	0
Dividend	4	0	0	0	0	0	0
Executive Pay Schemes	0	0	1	0	0	0	0
Miscellaneous	4	0	0	0	0	0	0
NED Fees	0	0	0	0	0	0	0
Non-Voting	0	0	0	0	0	0	0
Say on Pay	0	0	0	0	0	0	0
Share Capital Restructuring	0	0	0	0	0	0	0
Share Issue/Re-purchase	11	0	0	0	0	0	0
Shareholder Resolution	0	0	0	0	0	0	0

1.5 Votes Made in the US Per Resolution Category

	US/Global US & Canada						
	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
All Employee Schemes	0	0	0	0	0	0	0
Annual Reports	0	0	0	0	0	0	0
Articles of Association	2	0	0	0	0	0	0
Auditors	9	1	0	0	0	0	0
Corporate Actions	0	0	0	0	0	0	0
Corporate Donations	0	0	0	0	0	0	0
Debt & Loans	0	0	0	0	0	0	0
Directors	59	1	27	0	0	9	0
Dividend	0	0	0	0	0	0	0
Executive Pay Schemes	0	0	4	0	0	0	0
Miscellaneous	0	0	1	0	0	0	0
NED Fees	0	0	0	0	0	0	0
Non-Voting	0	0	0	0	0	0	0
Say on Pay	0	0	10	0	0	0	0
Share Capital Restructuring	0	0	0	0	0	0	0
Share Issue/Re-purchase	0	1	1	0	0	0	0
Shareholder Resolution	6	2	0	0	0	0	0

1.6 Votes Made in the EU Per Resolution Category

EU & Global EU

	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
All Employee Schemes	0	0	1	0	0	0	0
Annual Reports	0	0	2	0	0	0	0
Articles of Association	1	0	0	0	0	0	0
Auditors	0	0	0	0	0	0	0
Corporate Actions	0	0	0	0	0	0	0
Corporate Donations	0	0	0	0	0	0	0
Debt & Loans	0	0	0	0	0	0	0
Directors	1	0	3	0	0	0	0
Dividend	1	0	0	0	0	0	0
Executive Pay Schemes	0	0	1	0	0	0	0
Miscellaneous	2	1	1	0	0	0	0
NED Fees	1	0	0	0	0	0	0
Non-Voting	0	0	0	0	0	0	0
Say on Pay	0	1	2	0	0	0	0
Share Capital Restructuring	1	0	0	0	0	0	0
Share Issue/Re-purchase	3	0	0	0	0	0	0
Shareholder Resolution	0	0	0	0	0	0	0

2 Notable Oppose Vote Results With Analysis

Note: Here a notable vote is one where the Oppose result is at least 10%.

PROCTER & GAMBLE CO AGM - 14-10-2014

5. *Shareholder Resolution: Report on Unrecyclable Packaging*
Proposed by: As you Sow
The proponent is requesting that the board of directors issue a report at reasonable cost, omitting confidential information, assessing the environmental impacts of continuing to use unrecyclable brand packaging. The proponent state that "Procter & Gamble is known for its leadership on environmental sustainability yet a portion of its product packaging is unrecyclable including some plastics, a growing component of marine litter, which authorities say kills and injures marine life, spreads toxics and poses a potential threat to human health."
The Board are against this proposal and state that, whilst they agree with the proponent that recyclability is an important consideration when designing packaging, they believe that the Company has focused significant effort on minimizing the environmental impacts from their packaging through materials reduction and recycling. They believe that given the Company has clearly demonstrated commitment to this issue, they do not believe that the report requested by the proponent would add meaningful value to our ongoing efforts, or to shareholders.
It is considered that reporting on environmental issues is in shareholders' interests both as a means of informing shareholders of potential risks and opportunities faced by the company, but also as a means of ensuring that the management and board of a company gives due consideration to these issues. The board has not indicated why it considers that such a report would be prohibitively expensive, and the fact that many companies already produce them suggests that this is not the case. A vote for the proposal is therefore recommended.

Vote Recommendation: *For* — Results: For: 23.2, Abstain: 6.8, Oppose/Withhold: 70.1,

6. *Shareholder Resolution: Report on Alignment Between Corporate Values and Political Contributions*
Proposed by: NorthStar Asset Management
The proponent has requested that the Board of Directors report to shareholders annually at reasonable expense, excluding confidential information, a congruency analysis between corporate values as defined by P&G's stated policies arid Company and P&G GGF political and electioneering contributions, including a list of any such contributions occurring during the prior year which raise an issue of misalignment with corporate values, and stating the justification for such exceptions.
The Board are against this proposal and believe that political engagement is necessary to ensure the interests of the Company's employees, consumers and shareholders are fairly represented at all levels of government around the world, and P&G is committed to being transparent about our political involvement.
It is considered regular disclosure of political donations to be best practice, and that the company has not disclosed all political donations that the shareholders are requesting. It is noted that the reports will not be strenuous if the company does not make significant contributions. Support is therefore recommended.

Vote Recommendation: *For* — Results: For: 6.1, Abstain: 5.4, Oppose/Withhold: 88.4,

3. *Approve The Procter & Gamble 2014 Stock and Incentive Compensation Plan*
The Board are requesting shareholder approval of the Procter & Gamble 2014 Stock and Incentive Compensation Plan. The purpose of the Plan is to strengthen the alignment of interests between those employees of the Company and its subsidiaries who are largely responsible for the success of the business, as well as non-employee Directors, and the Company's shareholders through increased ownership of the Company. The participants in the Plan shall be non-employee Directors and those employees who, in the opinion of the Committee, have demonstrated a capacity for contributing in a substantial manner to the success of the Company.

This currently includes 10 non-employee Directors and approximately 6,000 of the Company's key managers who receive awards on an annual basis. It also includes an additional 8,000 employees currently eligible for cash bonuses who can elect to take all or part of their bonuses in stock options issued pursuant to the Plan. The maximum number of shares with respect to which options or other awards may be granted to any non-employee Director in any calendar year shall not exceed 10,000. The maximum number of shares with respect to which stock options or SARs may be granted to any employee who is a participant in any calendar year shall not exceed two million.
There are the following concerns with the plan: the maximum award that may be granted to an employee has the monetary value of USD 168.88 million (share price was $84.44 as of 30/09/2014) which is considered to be excessive; the plan will have 160 million outstanding shares that can be awarded, which amount to 6% of the current issued share capital; and performance criteria for the performance based awards are not included. Due to these concerns a vote against the plan is recommended.

Vote Recommendation: *Oppose* Results: For: 88.1, Abstain: 0.7, Oppose/Withhold: 11.2,

ORACLE CORP. AGM - 05-11-2014

1.02. *Elect H. Raymond Bingham*
Non-Executive Director. Not considered independent as he has served on the Board for over nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Withhold* Results: For: 74.1, Abstain: 0.0, Oppose/Withhold: 25.9,

1.03. *Elect Michael J. Boskin*
Non-Executive Director. Not considered independent as he has served on the Board for over nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Withhold* Results: For: 79.5, Abstain: 0.0, Oppose/Withhold: 20.5,

1.05. *Elect Bruce R. Chizen*
Independent Non-Executive Director. However, Mr Chizen is the Chairman of the Compensation Committee and the compensation report received 57% oppose votes at the last AGM and 59% in the previous year. On the basis that there was sizeable opposition to pay package which awarded the CEO close to USD 70 million for each of the last four years, and the committee has stated that no change will be made to their compensation policy, a "withhold" vote on his re-election is recommended.
Note: Mr. Chizen had 42.2% of votes cast withholding on his re-election at the 2013 Annual Meeting.

Vote Recommendation: *Withhold* Results: For: 72.1, Abstain: 0.0, Oppose/Withhold: 27.9,

1.09. *Elect Jeffrey O. Henley*
Executive Chairman. There is no independent Non-Executive Chairman, contrary to best practice guidelines. As there is also no Lead Director and insufficient independence on the Board, a withhold vote on his re-election is recommended.

Vote Recommendation: *Withhold* Results: For: 88.7, Abstain: 0.0, Oppose/Withhold: 11.3,

PERNOD RICARD SA AGM - 06-11-2014

O.7. *Elect Gilles Samyn*
Non-Executive Director. Not considered to be independent as he is currently executive of Groupe Bruxelles Lambert, which he joined in 1983. Groupe Bruxelles Lambert holds 6.9% of the company's voting rights. There are concerns over his aggregate time commitments. There is insufficient independent representation on the board.

Vote Recommendation: *Oppose* Results: For: 83.1, Abstain: 0.1, Oppose/Withhold: 16.7,

O.12. *Authorise Share Repurchase*
Authority allows the Board to repurchase and use capital stock within legal boundaries. The repurchase is limited to 10% of share capital. The authority will be valid for 18 months and cannot be used during a period of public offer. Meets guidelines.

Vote Recommendation: *For* Results: For: 61.4, Abstain: 0.1, Oppose/Withhold: 38.5,

E.13. *Authorise the Board of directors to allocate free performance shares to employees and executives*
It is proposed to grant the board authorization to allocate performance shares free of charge to employees and executives. The authorization will be valid for 38 months. Actual allocation will be subject to presence and performance conditions, one internal and one external, of which only the external has been disclosed and quantified (TSR). Performance will be measured over two years and shares will vest over a minimum of three years.
Although the performance conditions are above market practice (both in terms of disclosure and criteria), internal performance criteria are still undefined. In addition, the vesting time is not considered long term. On these bases, opposition is recommended.

Vote Recommendation: *Oppose* Results: For: 80.6, Abstain: 0.1, Oppose/Withhold: 19.3,

E.14. *Authorise the Board of Directors to grant stock options to executive and employees*
The company requests general approval to issue stock options, corresponding to maximum 1.5% of the issued share capital, to employees and management over a period of 38 months.
Performance conditions to be applied to those options awarded are not disclosed in full.
Dilution meets guidelines; however, the performance conditions applied to this specific plan are not disclosed. Opposition is recommended.

Vote Recommendation: *Oppose* Results: For: 64.0, Abstain: 0.1, Oppose/Withhold: 36.0,

HAYS PLC AGM - 12-11-2014

19. *Meeting notification related proposal*
The proposed resolution reflects the implementation of the EU Shareholder Rights Directive into English law, which took place on 3 August 2009 as implemented by the company in its Articles of Association. Under the regulations, the minimum notice period for general meetings (other than Annual General Meetings) will increase to 21 days unless shareholders agree on a shorter notice period, in which case it may be 14 days. Shareholder approval is sought to call general meetings on 14 clear days notice.

All companies should aim to provide at least 20 working days notice for general meetings in order to give shareholders sufficient time to consider what are often complex issues. However, as the proposed change is permissible by the Companies Act, support is recommended.

Vote Recommendation: *For* Results: For: 86.3, Abstain: 0.1, Oppose/Withhold: 13.5,

SMITHS GROUP PLC AGM - 18-11-2014

19. *Meeting notification related proposal*
The proposed resolution reflects the implementation of the EU Shareholder Rights Directive into English law, which took place on 3 August 2009 as implemented by the company in its Articles of Association. Under the regulations, the minimum notice period for general meetings (other than Annual General Meetings) will increase to 21 days unless shareholders agree on a shorter notice period, in which case it may be 14 days. Shareholder approval is sought to call general meetings on 14 clear days notice.
All companies should aim to provide at least 20 working days notice for general meetings in order to give shareholders sufficient time to consider what are often complex issues. However, as the proposed change is permissible by the Companies Act, support is recommended.

Vote Recommendation: *For* Results: For: 89.0, Abstain: 0.4, Oppose/Withhold: 10.6,

WOLSELEY PLC AGM - 25-11-2014

18. *Issue shares with pre-emption rights*
The authority is limited to one third of the share capital and another third in connection with a Rights Issue. This is in line with normal market practice and expires at the next AGM. All directors are standing for annual re-election. Support is recommended.

Vote Recommendation: *For* Results: For: 88.0, Abstain: 0.5, Oppose/Withhold: 11.5,

3 Oppose/Abstain Votes With Analysis

TELSTRA CORP LTD AGM - 14-10-2014

4. *Approve the grant of Performance rights*
The Boards is seeking shareholder approval for the grant of performance shares to the CEO David Thodey, under the Telstra FY15 LTI Plan. The proposed grant is for 939,716 performance shares with a combined value of $ 5,300,000, which equates to 200% of his fixed remuneration.
The LTI plan has two performance metrics: relative TSR (RTSR) and free cash flow return on investment (FCF ROI). The two performance measures do not operate interdependently, which is against best practice. The peer group for the RTSR metric is disclosed and the minimum threshold is 50th percentile of peer group with 100% vesting at the 75th percentile of the peer group. The FCF ROI has a minimum target of 15% and the maximum at 16.6% The awards have a three-year performance period, which is not considered sufficiently long term. It is noted awards are subject to an additional year restriction period.
Directors can exercise discretion to determine that unvested performance shares do not lapse and any restricted shares are not forfeited. The Board also has discretion to accelerate the end date of the restriction period for the release of the restricted shares to the date of departure. Such a high level of discretion negates the purpose of safeguards.
Based on these concerns, it is recommended that shareholders oppose.

Vote Recommendation: *Oppose*

5. *Approve the Remuneration Report*
In accordance with Section 250R of the Australian Corporations Act, the directors are seeking approval of the remuneration report. The Act does not require directors to act on approval of the resolution and the vote is advisory.
Disclosure:
Overall disclosure is good. The policy statement is clear and concise.
Balance of Performance and Reward: Total remuneration comprises both a fixed and variable component, which consists of both short and long term incentives.
Short-Term Incentives:
These are based on Free Cash Flow, EBITDA, Total Income, Net Promotor Score(NPS) and individual performance measures. 25% of any STI is deferred into Telstra shares, with one-half vesting after one year and the balance after two years. The STI opportunity ranges from 150% to 200% of fixed remuneration. While the Company discloses performance as a percentage against each of the measures, it does not disclose the actual targets. There is no disclosure of the individual performance conditions.
Long-Term Incentives:
LTI awards are in the form of performance shares. The two performance measures do not operate interdependently. The peer group for the TSR metric is disclosed and the minimum threshold is 50th percentile of peer group with 100% vesting at the 75th percentile of the peer group. The FCF ROI has a minimum target of 15% and the maximum at 16.6%. The awards have a three-year performance period. It is noted awards are subject to an additional year restriction period.
Contracts:
Contracts for executives are in line with best practice. The notice period for executives is 6 months. Termination notice period is 12 months.
Summary:
Overall remuneration levels paid during the year are considered excessive. Compensation payments of $ 1,020,456 were made to Mr Rick Ellis, which include pro-rated STI awards. Performance conditions under incentive performance remuneration work independently of each, which is considered to be against best practice. LTI awards are not subject to a non-finance measure. The RTSR vesting scale is not considered sufficiently broad. The 3-year performance period is also not considered sufficiently long term. The Remuneration Committee may apply upside discretion in determining termination severance.

Based on these concerns it is recommended shareholders oppose.
Note: Pursuant to the Corporations Act, if the resolution to adopt the Remuneration Report receives a “no” vote of at least 25% of the votes cast at two consecutive AGMs, a resolution must then be put to shareholders at the second AGM as to whether another general meeting of the Company should be held within 90 days at which all Directors (other than the Managing Director/ CEO), who were in office at the time the Board approved the second Remuneration Report, would need to stand for re-election. The resolution to adopt the Remuneration Report at 2013 AGM did not receive such a "no" vote.

Vote Recommendation: *Oppose*

PROCTER & GAMBLE CO AGM - 14-10-2014

1c. *Re-elect Scott D. Cook*
Non-Executive Director. Independent by Company but not considered to be independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 96.9, Abstain: 0.5, Oppose/Withhold: 2.6,

1e. *Re-elect A.G. Lafley*
Re-appointed Chairman and CEO having previously served in this capacity. Continued combined roles at the head of the Company. There should be a clear division of responsibilities at the head of the company between the running of the board and the executive responsibility for the running of the company’s business. No one individual should have unfettered powers of decision. Combining the two roles in one person represents a concentration of power that is potentially detrimental to board balance, effective debate, and board appraisal.

Vote Recommendation: *Oppose* Results: For: 96.2, Abstain: 0.8, Oppose/Withhold: 3.0,

1g. *Re-elect W. James McNerney, Jr.*
Non-Executive Director. Independent by Company but not considered to be independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 96.0, Abstain: 0.4, Oppose/Withhold: 3.6,

1k. *Re-elect Ernesto Zedillo*
Non-Executive Director. Independent by Company but not considered to be independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 96.6, Abstain: 0.6, Oppose/Withhold: 2.8,

4. *Approve Pay Structure*
The company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The commentary on the disclosures made by the

company are contained in the body of this report and the voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: BDA

Disclosure: B - There is disclosure of the bonus targets on a retrospective basis. The targets for the year under review are not considered to be challenging.

Balance: D - Not all awards have performance conditions attached.

Contracts: A - There are no severance agreements with executive officers. There is no automatic acceleration of vesting upon a change in control and the Company does have a clawback policy in place.

Based on this rating it is recommended that shareholders oppose.

Vote Recommendation: *Oppose* Results: For: 94.5, Abstain: 0.9, Oppose/Withhold: 4.6,

3. *Approve The Procter & Gamble 2014 Stock and Incentive Compensation Plan*
The Board are requesting shareholder approval of the Procter & Gamble 2014 Stock and Incentive Compensation Plan. The purpose of the Plan is to strengthen the alignment of interests between those employees of the Company and its subsidiaries who are largely responsible for the success of the business, as well as non-employee Directors, and the Company's shareholders through increased ownership of the Company. The participants in the Plan shall be non-employee Directors and those employees who, in the opinion of the Committee, have demonstrated a capacity for contributing in a substantial manner to the success of the Company. This currently includes 10 non-employee Directors and approximately 6,000 of the Company's key managers who receive awards on an annual basis. It also includes an additional 8,000 employees currently eligible for cash bonuses who can elect to take all or part of their bonuses in stock options issued pursuant to the Plan. The maximum number of shares with respect to which options or other awards may be granted to any non-employee Director in any calendar year shall not exceed 10,000. The maximum number of shares with respect to which stock options or SARs may be granted to any employee who is a participant in any calendar year shall not exceed two million.
There are the following concerns with the plan: the maximum award that may be granted to an employee has the monetary value of USD 168.88 million (share price was $84.44 as of 30/09/2014) which is considered to be excessive; the plan will have 160 million outstanding shares that can be awarded, which amount to 6% of the current issued share capital; and performance criteria for the performance based awards are not included. Due to these concerns a vote against the plan is recommended.

Vote Recommendation: *Oppose* Results: For: 88.1, Abstain: 0.7, Oppose/Withhold: 11.2,

PAYCHEX INC. AGM - 15-10-2014

1a. *Elect B. Thomas Golisano*
Non-Executive Chairman. Not independent as he holds 10.4% of the issued share capital and was President and CEO of the company until 2004. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 98.6, Abstain: 0.3, Oppose/Withhold: 1.1,

1b. *Elect Joseph G. Doody*
Non-Executive Director. Not considered independent as Mr. Doody is Vice Chairman of Staples, Inc. During fiscal 2014, the Company purchased through negotiated transactions approximately $1.3 million (2013: $1.6 million, 2012: $1.8 million) of office supplies from Staples, Inc. There are also concerns over his time commitments. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 98.9, Abstain: 0.3, Oppose/Withhold: 0.8,

1c. *Elect David J. S. Flaschen*
Non-Executive Director. Not considered to be independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 95.8, Abstain: 0.4, Oppose/Withhold: 3.8,

1d. *Elect Phillip Horsley*
Non-Executive Director. Not considered independent as he has served the Board for more than nine years during his first tenure with the company between 1982 and 2009. He was re-elected again at the 2011 AGM. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 96.4, Abstain: 0.3, Oppose/Withhold: 3.3,

1e. *Elect Grant M. Inman*
Non-Executive Director. Not considered to be independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 92.9, Abstain: 0.4, Oppose/Withhold: 6.7,

1f. *Elect Pamela A. Joseph*
Non-Executive Director. Not considered independent as she will have served on the board for more than nine years as of the 2014 AGM. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 99.1, Abstain: 0.3, Oppose/Withhold: 0.6,

1h. *Elect Joseph M. Tucci*
Lead Director. Not considered independent as he has served on the board for more than nine years. Furthermore, Mr. Tucci is the Chairman and Chief Executive Officer of EMC Corporation. During fiscal 2014, the Company purchased through negotiated transactions approximately $4.7 million of data processing equipment and software from EMC Corporation. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 94.8, Abstain: 0.3, Oppose/Withhold: 4.9,

2. *Approve Pay Structure*
The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The commentary on the disclosures made

by the company are contained in the body of this report and the voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: BEA
Disclosure: B - The company discloses the annual bonus targets retrospectively. Qualitative metrics are not disclosed.
Balance: E - There are no performance criteria attached to stock options or time-vested restricted stock awards and the vesting periods are considered insufficient. Annual bonus targets are not considered challenging.
Contracts: A - The company has a recoupment policy in place and double triggers for award in the event of a change in control.
Based on this rating it is recommended that shareholders oppose.

Vote Recommendation: *Oppose* Results: For: 93.0, Abstain: 0.7, Oppose/Withhold: 6.3,

CSL LTD AGM - 15-10-2014

3. *Approve the Remuneration Report*
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Vote Recommendation: *Oppose*

4. *Approve grant of performance Rights and Performance Options to Paul Perreault*
The Board is seeking shareholder approval for the purposes of ASX Listing Rule 10.14 for the grant to the Managing Director and Chief Executive Officer, Mr Paul Perreault of: i) Performance Options up to the maximum value of USD 1,020,000; and ii) Performance Rights up to the maximum value of USD 1,912,500.
The Board conducted a review of its Remuneration practices and decided to make various changes to its policy, including an increase in the value of Long-Term Incentive awards. No clear maximum cap has been disclosed, but he total award proposed under this resolution, which is above 100% of CEO's base salary, is considered excessive when combined with the annual bonus also capped at 100% of base salary. The proposed grant of Performance Rights will be subject to two performance measures (EPS and TSR) over the four year performance period. The Performance Options, which have just been introduced to the remuneration structure, will not be subject to any performance conditions which is considered inappropriate. No holding period beyond vesting is in place.
Based on the above concerns, an oppose vote is recommended.

Vote Recommendation: *Oppose*

CINTAS CORPORATION AGM - 21-10-2014

3. *Amend existing 2005 executive share option scheme/plan*
It is proposed to amend the 'Cintas Corporation 2005 Equity Compensation Plan' by increasing the number of shares of common stock, no par value, of the Company, available for issuance under the 2005 Equity Compensation Plan (and also the plan limit on incentive stock options) from 14,000,000 shares to 21,000,000 shares.

Under the 2005 Equity Compensation Plan, the Compensation Committee may grant awards of stock options (both non-qualified and incentive stock options), stock appreciation rights, restricted stock and unrestricted stock awards, performance awards and other stock unit awards. Any person who performs services for the Company or any subsidiary, including officers and directors of the Company or a subsidiary, who are compensated on a regular basis by the Company or a subsidiary, other than a person who receives retirement benefits, consulting fees or honorariums from the Company, are generally eligible to be designated a participant under the 2005 Equity Compensation Plan. The Compensation Committee has the sole and complete authority to determine the participants to whom awards shall be granted under the 2005 Equity Compensation Plan. As of August 25, 2014, approximately five executive officers, 1,350 employees, and six independent directors were eligible to participate in the 2005 Equity Compensation Plan.

As of August 25, 2014, 2,317,172 shares of common stock remain available for grant under the plan. Amendment No. 4 will authorize the issuance of up to an additional 7,000,000 shares of common stock. This represents a potential dilution for shareholders of 7.8%. When total number of shares subject to outstanding awards are taken into account, the total potential dilution is 15.6%. This is considered excessive. Opposition is recommended.

Vote Recommendation: *Oppose* Results: For: 99.6, Abstain: 0.4, Oppose/Withhold: 0.0,

2. *Approve Pay Structure*
The company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The commentary on the disclosures made by the company are contained in the body of this report and the voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: CDD (2013: CDD)

Disclosure: C - The Company discloses EPS and Sales growth targets on a retrospective basis but not non-financial targets.

Balance: D - There is a minimum three year vesting period for awards but the targets for the annual incentive duplicate the targets which determine the quantum of long-term awards.

Contracts: D - The Company does not have severance agreements in place and there is no way for shareholders to determine amounts due upon a change in control.

Based on this rating it is recommended that shareholders oppose.

Note: In 2013, 99% of votes cast were in favour.

Vote Recommendation: *Oppose* Results: For: 98.9, Abstain: 1.1, Oppose/Withhold: 0.0,

4. *Appoint the auditors*
Ernst & Young LLP proposed. Non-Audit fees represent 46.91% of audit fees for the year under review and 46.08% on a three year rolling basis. This raises concerns over the auditor's independence.

Vote Recommendation: *Abstain* Results: For: 99.6, Abstain: 0.4, Oppose/Withhold: 0.0,

AUCKLAND INTL AIRPORT LTD AGM - 23-10-2014

2. *Elect Justine Smyth*
Independent Non-Executive Director. Ms Smyth has missed 1 of the 6 Audit and Financial Risk Committee meetings held during the year. No adequate justification

has been provided.

Vote Recommendation: *Abstain*

HARRIS CORP AGM - 24-10-2014

1a. *To elect William M. Brown*
Chairman and Chief Executive. Mr. Brown joined Harris in November 2011 as President and Chief Executive Officer and was appointed Chairman in April 2014. Combined role at the top of the Company. It is considered best practice for the roles of Chairman and CEO to be separated with a Chairman responsible for the functioning of the Board and a CEO responsible for the running of the Company. No one individual should have unfettered powers of decision as the combining the two roles in one person represents a concentration of power that is potentially detrimental to board balance, effective debate, and board appraisal.

Vote Recommendation: *Oppose* Results: For: 98.4, Abstain: 1.6, Oppose/Withhold: 0.0,

1c. *To elect Thomas A. Dattilo*
Lead Director. Not considered independent due to serving on the board for over nine years. He previously served as Chairman between January 2012- April 2014. There is insufficient independence on the Board.

Vote Recommendation: *Oppose* Results: For: 99.4, Abstain: 0.6, Oppose/Withhold: 0.0,

1d. *To elect Terry D. Growcock*
Non-Executive Director. Not considered independent due to serving on the board for over nine years. There is insufficient independence on the Board.

Vote Recommendation: *Oppose* Results: For: 99.3, Abstain: 0.7, Oppose/Withhold: 0.0,

1e. *To elect Lewis Hay III*
Non-Executive Director. Independent by the Company, but not considered independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 99.4, Abstain: 0.6, Oppose/Withhold: 0.0,

1g. *To elect Karen Katen*
Non-Executive Director. Independent by the Company, but not considered independent as she has served on the Board for more than nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 99.4, Abstain: 0.6, Oppose/Withhold: 0.0,

2. *Approve Pay Structure*
The company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The detailed commentary on the disclosures

made by the company are contained in the body of this report and the voting outcome for this resolution reflects the balance of our opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: CDB

Disclosure rating: C - It is welcomed that the peer group has been disclosed. Performance against past targets are disclosed, but future targets are not disclosed.

Balance rating: D - Sign on bonuses and one time equity grants are used as part of compensation packages. The annual bonus can be adjusted upwardly in a discretionary manner.

Contracts rating: B - Disclosed severance agreements are acceptable, but there aren't agreements with all executives.

Based upon this rating an oppose vote is recommended.

Vote Recommendation: *Oppose* Results: For: 99.2, Abstain: 0.8, Oppose/Withhold: 0.0,

1h. *To elect Leslie F. Kenne*
Non-Executive Director. Independent by the Company, but not considered independent as she has served on the Board for more than nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 99.3, Abstain: 0.7, Oppose/Withhold: 0.0,

1i. *To elect David B. Rickard*
Non-Executive Director. Independent by the Company, but not considered independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 99.4, Abstain: 0.6, Oppose/Withhold: 0.0,

1j. *To elect Dr. James C. Stoffel*
Non-Executive Director. Independent by the Company, but not considered independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 99.4, Abstain: 0.6, Oppose/Withhold: 0.0,

1k. *To elect Gregory T. Swienton*
Non-Executive Director. Independent by the Company, but not considered independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 99.4, Abstain: 0.6, Oppose/Withhold: 0.0,

1l. *To elect Hansel E. Tookes II*
Non-Executive Director. Independent by the Company, but not considered independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 99.3, Abstain: 0.7, Oppose/Withhold: 0.0,

STOCKLAND AGM - 28-10-2014

3. *Re-elect Peter Scott*
Not considered to be independent due to related party transactions. Mr Scott served as chairman of Sinclair Knight Merz Holdings, which provided consulting services to the Company during the previous year for an amount of A$144,252. Sinclair Knight Merz is paying commercial rent at various of Stockland's properties. Rents received and receivable from Sinclair Knight Merz for the previous financial year were A$9,330,455. Mr. Scott is also Chairman of Perpetual Limited. Amounts paid or and payable to Perpetual for the previous year were A$63,877. There is insufficient independence on the board, therefore opposition is recommended.

Vote Recommendation: *Oppose*

4. *Approve the Remuneration Report*
In accordance with Section 250R of the Australian Corporations Act, the directors are seeking approval of the remuneration report. The Act does not require directors to act on approval of the resolution and the vote is advisory.
Disclosure:
Overall disclosure is good. The policy statement is clear and concise.
Balance of Performance and Reward:
Total remuneration comprises both a fixed and variable component, which consists of both short and long term incentives.
Short-Term Incentives:
These are based on meeting financial and non-financial performance targets in five key areas: underlying profit performance, business performance, customer, stakeholder and sustainability performance, people management and operational excellence & risk. Short Term Incentives are limited to 125% of base salary for the managing director and 112.5% for senior executives. At least one third of Short Term Incentives for senior executives, and at least one half for the managing director, are deferred into Stockland securities which vest over two years, subject to continued service. However, the Board retains discretion to award STI entirely in cash in certain circumstances. Short Term Incentives are capped at 5% of of Stockland's underlying profit. It is noted that in the year under review all targets were met or exceeded. However it is difficult to determine how challenging these targets are.
Long-Term Incentives:
Stockland's LTI awards are linked to two measures: target underlying EPS growth and relative TSR performance. There was no LTI vesting in FY14 based on performance against these two hurdles measured over the period from 1 July 2011 to 30 June 2014. Maximum payout under the LTI is 100% of base salary for the managing director and 60% of base pay for senior executives. Clawback provisions are in place for the LTI. The LTI may vest three and four years later subject to performance hurdles and continued employment. Half of the LTI allocated to employees is linked to Stockland's performance against underlying EPS Growth Targets. The prospective target for maximum or full vesting of the EPS Growth component of FY15 LTI awards is 6.25% CAGR ("EPS Target"). The threshold hurdle for vesting to commence is a CAGR of 4.5% or 27.4 cents per Stapled Security over the same period. The Group exceeded the target in FY14 but fell short in FY12 and FY13. Accordingly, there was no vesting for the EPS portion of the 2011 (FY12) LTI awards to any employee.
The other half of the LTI award is linked to the TSR performance hurdle. From 1 July 2011 to 30 June 2014, Stockland's TSR returned a positive absolute return of

42.2% but underperformed over the period against its peer group benchmark of 52.7% (as measured by the A-REIT Accumulation Index excluding Stockland) so there was no vesting of the TSR portion of the 2011 LTI awards to any employee.
Furthermore, LTIP based schemes are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the company (creating capital and - lawful - dividends). They can act as a complex and opaque hedge against absolute company under-performance and long-term share price falls. They are also a significant factor in reward for failure.
Contracts:
Contracts for executives are in line with best practice. The notice period for executives is three months, for the managing director it is six months. Where Stockland initiates termination, including mutually agreed resignation, the Managing Director or Senior Executive would receive a termination of twelve months Fixed Pay.
Summary:
Overall remuneration levels paid during the year are not considered excessive. However, the lack of disclosure of the EPS targets frustrates shareholders ability to determine if they are sufficiently challenging. The lack of concurrent, rather than separate performance criteria is also not supported. Based on these concerns, it is recommended that shareholders oppose.
Note: Pursuant to the Corporations Act, if the resolution to adopt the Remuneration Report receives a "no" vote of at least 25% of the votes cast at two consecutive AGMs, a resolution must then be put to shareholders at the second AGM as to whether another general meeting of the Company should be held within 90 days at which all Directors (other than the Managing Director), who were in office at the time the Board approved the second Remuneration Report, would need to stand for re-election. The resolution to adopt the Remuneration Report at the 2013 AGM did not receive such a "no" vote.

Vote Recommendation: *Oppose*

5. *Approve the issuance of 811,000 performance rights to Mr Mark Steinert, Managing Director*
The board is seeking approval of the participation in the Stockland Performance Rights Plan by Mr M Steinert, Managing Director as to 811,000 performance rights as part of his 2015 financial year remuneration; and the issue to and acquisition by Mr M Steinert, Managing Director of those performance rights and, in consequence of vesting of those performance rights, of Stockland Stapled Securities.
Stockland's LTI awards are linked to two measures: target underlying EPS growth and relative TSR performance. The prospective target for maximum or full vesting of the EPS Growth component of FY15 LTI awards is 6.25% CAGR ("EPS Target"). The threshold hurdle for vesting to commence is a CAGR of 4.5% or 27.4 cents per Stapled Security over the same period. In order for the TSR grant to vest, Stockland's TSR must be greater than the growth in the ASX/Australian Real Estate Investment Trust Index ("Index") reconstituted to exclude Stockland ("TSR Target"). 50% of the TSR grant will vest at a performance greater that the target. A proportion of the TSR grant vests in a straight line between 50% and 100% when performance is up to 10% greater than the TSR target. 100% of the grant vests when performance is 10% or more greater than the TSR target. Based on current earning the EPS target is not deemed to be sufficiently challenging. The TSR hurdle is considered challenging. However, it would be better if the performance conditions were used concurrently rather than independently. Furthermore, LTIP based schemes are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the company (creating capital and - lawful - dividends). They can act as a complex and opaque hedge against absolute company underperformance and long-term share price falls. They are also a significant factor in reward for failure. On this basis it is recommended that shareholders oppose.

Vote Recommendation: *Oppose*

TATTS GROUP LTD AGM - 29-10-2014

1. *Approve the Remuneration Report*
Disclosure: The Remuneration and Human Resources Committee does not disclose of specific performance conditions and targets for the variable remuneration.
Under the terms of the Managing Director/Chief Executive Officer's contract, the remuneration structure to apply for the 3 years from 14 January 2013 to 14 January 2016 comprises:
a Fixed Annual Remuneration (FAR) set currently at $1.47 million per annum;
performance based incentive entitlement of up to 70% of FAR, subject to achievement of KPIs set annually. Any performance based incentive entitlement will be paid as 50% cash and 50% rights to restricted shares. The rights are subject to shareholder's approval; and
a total of 450,000 rights to restricted shares, granted over 3 years in 150,000 tranches each year of the three-year contract and with each tranche exercisable 12 months after grant date subject to continued employment, and no performance conditions.
The performance based incentive entitlement is based on KPIs of financial performance set around year-on-year growth in EBIT, with EBITDA and Earnings Per Share (EPS) used to determine actual payment levels. These measures of performance are combined with individual, business and Group performance requirements which include financial and non-financial measures, and other specific performance requirements for the position (which include strategic value adding initiatives and organisation development).
Contracts: The Managing Director's contract provides for a written notice for the lesser of 12 months or the period remaining until 13 January 2016.
Summary: Variable pay is not considered excessive when compared with the Director's base salary. The Managing Director receives share-based awards unrelated to performance which is against best practice. The Committee does not disclose the rationale behind such a practice. The Company does not disclose rules for the treatment of awards in the event of termination of employment or takeover. There is no evidence of a real clawback policy. Based on these concerns it is recommended shareholders oppose.

Vote Recommendation: *Oppose*

2a. *Re-elect Kevin Seymour*
Non-Executive Director. Not considered independent as he was on the Board of UNITAB (with which the Company merged in 2006) since September 2000. There is insufficient independent representation on the Board. An oppose vote is recommended.

Vote Recommendation: *Oppose*

ORACLE CORP. AGM - 05-11-2014

2. *Approve Pay Structure*
The company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: BDA

Disclosure rating: B - performance targets for the annual bonus are set out both for the year under review and the forthcoming year.

Balance rating: D - There is a concern over Executive Compensation Committee having a discretion in awarding additional bonuses, and stock options vesting in less than three years.

Contracts rating: A - There are "double-trigger" and "clawback" policies in place.

Based upon this rating an oppose vote is recommended.

Note: The 2013 'say-on-pay vote' received an oppose vote of approximately 56%.

Vote Recommendation: *Oppose* Results: For: 99.7, Abstain: 0.3, Oppose/Withhold: 0.0,

4. *Shareholder Resolution: Vote Tabulation*
Proposed by: Chief Executive of Investor Voice, Bruce T. Herbert.
It is proposed that the Board amend the Company's governing documents to provide that all matters presented to shareholders be decided by a simple majority unless shareholders have approved higher thresholds or the law or stock exchange regulations require higher thresholds.

The shareholders' concern is related to the company's practice with respect to vote counting for the resubmission of shareholder proposals. The Company does not follow the SEC's vote-counting standard, but instead includes Abstain votes as well. The shareholder points out this lowers the vote to shareholder sponsored proposals. He considers that "these practices fail to respect voter intent, are arbitrary, and run counter to the core principles of democracy".

The Company does not recommend support for the proposal. They state that their current voting standard "does not favour management-sponsored proposals over stockholder-sponsored proposals, does not prevent the passage of stockholder proposals and does not circumvent SEC standards". They consider it appropriate to include abstentions in the tabulation of the vote on proposals other than the election of directors and do not consider that the proposal will enhance the company's corporate governance.

It is considered that the investors concerns and the proposal have somewhat different implications. The proposal is that all matters be decided by simple majority. Generally, it is considered that shareholders should have the right to approve most matters submitted for their consideration by a simple majority of the shares voted. However, it is considered that it is appropriate for certain matters to be subject to a higher approval threshold. Therefore, it is recommended shareholders abstain.

Vote Recommendation: *Abstain* Results: For: 96.2, Abstain: 3.8, Oppose/Withhold: 0.0,

CARDINAL HEALTH INC. AGM - 05-11-2014

1.03. *Re-elect George S. Barrett*
Chairman and CEO. Combined roles at the head of the Company. There should be a clear division of responsibilities at the head of the company between the running of the board and the executive responsibility for the running of the company's business. No one individual should have unfettered powers of decision. Combining the two roles in one person represents a concentration of power that is potentially detrimental to board balance, effective debate, and board appraisal.

Vote Recommendation: *Oppose* Results: For: 99.5, Abstain: 0.5, Oppose/Withhold: 0.0,

3. *Approve Pay Structure*
The company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The commentary on the disclosures made by the company are contained in the body of this report and the voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: CDA

Disclosure: C - There is no disclosure of future targets or individual goals.

Balance: D - Restricted stock awards are not subject to performance conditions. PSU grants have two-year and three-year performance periods. Pay levels for the CEO are considered to be quite high as the total aggregate pay has exceed $10 million for each of the previous four years.

Contracts: A - The Company does not automatically accelerate vesting upon a change in control. Change in control provisions do not define good reason in an appropriate manner.

Based upon this rating it is recommended that shareholders oppose.

Vote Recommendation: *Oppose* Results: For: 99.7, Abstain: 0.3, Oppose/Withhold: 0.0,

4. *Approve the material terms of the performance goal under the Cardinal Health Inc. Management Incentive Plan*
The proposal seeks approval for an extension of the Management Incentive Plan ("MIP") from 2009 for a further five years in line with section 162(m) of the Internal Revenue Code of 1986. One of the purposes of the MIP is provide employees in leadership positions with an annual bonus incentive. Shareholder approval is required for the terms of the scheme so that it may qualify for a tax benefit under the Code, namely that remuneration paid in excess of USD 1 million may be subject to an income tax deduction.

There are concerns that the maximum limit disclosed amounts to USD 7.5 million, which is deemed excessive. There are also concerns that, although the nature of performance criteria that may be applied is disclosed in general terms, specific targets are not. Furthermore, the tax treatment of performance pay is intended to act as performance incentive itself. However, it is not considered that favourable tax treatment under such schemes can be justified unless it is possible to evaluate the targets that are in use in a more specific fashion. In view of these concerns an oppose vote for this proposal is recommended.

Vote Recommendation: *Oppose* Results: For: 99.7, Abstain: 0.3, Oppose/Withhold: 0.0,

PERNOD RICARD SA AGM - 06-11-2014

O.1. *Approval of the Financial Statements*
Disclosure is adequate. The financial statements were made available sufficiently before the meeting and have been audited and certified. However, the following serious corporate governance concerns have been identified.
First, there is no de facto division at the head of the company between the chairmanship of the board and executive responsibilities, as these are both run by members of the Pernod family. In addition, the former CEO Mr. Pringuet remains of the board, having reached the statutory age limit for the post of Chief Executive. The roles of chairman and chief executive are completely different and should be separated. Although the two roles at the company are formally separated, their de facto

coincidence represents a concentration of power that is potentially detrimental to board balance, effective debate, and board appraisal. Generally, it is considered that the combination of roles at a listed company can only be justified on a temporary basis under exceptional circumstances. In addition, seven out of 14 non-executive directors are linked to significant shareholders. The founding family Pernod (13.14% of the issued share capital) and Raphael Gonzales-Gallarza (0.56% of the issued share capital) seem to have a disproportionate representation on the Board as they jointly hold 13.7% of the share capital (and 19.68% of the voting rights) but have seven representatives on the Board. On this ground, opposition is recommended.

Vote Recommendation: *Oppose* Results: For: 99.4, Abstain: 0.2, Oppose/Withhold: 0.4,

O.2. *Approval of the Consolidated Financial Statements*

Disclosure is adequate. The financial statements were made available sufficiently before the meeting and have been audited and certified. However, given the serious governance concerns reported in resolution 1, opposition is recommended also for this resolution.

Vote Recommendation: *Oppose* Results: For: 99.6, Abstain: 0.1, Oppose/Withhold: 0.3,

O.4. *Approval of the regulated agreements and commitments*

It is proposed to approve the third-party transactions authorized and renewed during the year under review. Two new agreements are under this resolution. First, a Multicurrency Revolving Facility Agreement for EUR 2.5 billion with, amongst others, BNP Paribas and J.P. Morgan Ltd as Mandated Lead Arrangers and Bookrunners and BNP Paribas and J.P. Morgan Chase Bank N.A. as Original Lenders. Under this agreement, the lenders would make available to the Group a line of credit up to EUR 2.5 billion. In addition, the the renewal of the brand licensing agreements has been authorised for a period of 5 years.
Such transactions are considered on the basis of whether the transaction has been adequately explained and whether there is sufficient independent oversight of the recommended transaction. The circular contains full details of the transaction; however, there is not a sufficient balance of independence on the board.

Vote Recommendation: *Oppose* Results: For: 99.4, Abstain: 0.1, Oppose/Withhold: 0.5,

O.5. *Re-elect Martina Gonzalez-Gallarza*

Non-Executive Director. Not considered to be independent as there is a shareholder agreement between her father, Raphael Gonzalez-Gallarza (holder of 0.56% of the share capital) and Société Paul Ricard (which holds 13.14% of the company's voting rights) pursuant to which Rafaël Gonzalez-Gallarza undertakes to consult Société Paul Ricard prior to any Pernod Ricard general meeting in order for them to agree on the voting at the meeting. There is insufficient independent representation on the board.

Vote Recommendation: *Oppose* Results: For: 94.8, Abstain: 0.1, Oppose/Withhold: 5.1,

O.6. *Re-elect Ian Gallienne*

Non-Executive Director. Not considered to be independent as he is connected to Groupe Bruxelles Lambert (GBL), which holds 6.86% of the company's voting rights. Furthermore there are concerns over his aggregate time commitment. There is insufficient independent representation on the board.

Vote Recommendation: *Oppose* Results: For: 96.6, Abstain: 0.1, Oppose/Withhold: 3.3,

O.7. *Elect Gilles Samyn*

Non-Executive Director. Not considered to be independent as he is currently executive of Groupe Bruxelles Lambert, which he joined in 1983. Groupe Bruxelles

Lambert holds 6.9% of the company's voting rights. There are concerns over his aggregate time commitments. There is insufficient independent representation on the board.

Vote Recommendation: *Oppose* Results: For: 83.1, Abstain: 0.1, Oppose/Withhold: 16.7,

O.9. *Advisory Vote on Compensation of Daniele Ricard, Chairman of the Board*
Shareholders are asked to approve the annual compensation, paid or due to the Chairmwoman of the Board, Danielle Ricard. This is an advisory vote, whose outcome is not binding for the Company.
The Chairmwoman only receives fixed remuneration, in the amount of EUR 110,000. Despite the corporate governance concerns identified at the company, the remuneration for the Chairman is not considered to be excessive and her compensation structure does not raise serious concerns. However, the chairmwoman is also a member of the founding family and major shareholder. On the basis of the governance concerns identified at the company, abstention is recommended.

Vote Recommendation: *Abstain* Results: For: 99.6, Abstain: 0.1, Oppose/Withhold: 0.4,

O.10. *Advisory Vote on Compensation of Pierre Pringuet, Vice Chairman and CEO*
Shareholders are asked to approve the annual compensation, paid or due to the Pierre Pringuet, Vice Chairman and CEO. This is an advisory vote, whose outcome is not binding for the Company.
The Company does not disclose quantified targets for the annual bonus or the long time incentives, which prevents shareholders from evaluating the potential excessiveness of the pay structure as a whole. The overall variable remuneration for the CEO seems to exceed guidelines potentially; in addition, there are concerns over the severance agreement entered into with the CEO, which is deemed excessive. Opposition is therefore recommended.

Vote Recommendation: *Oppose* Results: For: 97.9, Abstain: 0.1, Oppose/Withhold: 2.1,

O.11. *Advisory Vote on Compensation of Alexandre Ricard, Vice CEO*
Shareholders are asked to approve the annual compensation, paid or due to the Alexandre Ricard, Vice CEO. This is an advisory vote, whose outcome is not binding for the Company.
The Company does not disclose quantified targets for the annual bonus or the long time incentives, which prevents shareholders from evaluating the potential excessiveness of the pay structure as a whole. The overall variable remuneration for the Vice CEO has not been excessive for 2013: fixed salary of EUR 750,000 and variable remuneration of EUR 950,000. However, due to lack of disclosure, an accurate assessment of balance between performance and pay is not possible. In addition, there are concerns over the severance agreement entered into with him (severance and non-compete clause capped at 1 year of total remuneration) which is deemed excessive. Opposition is therefore recommended.

Vote Recommendation: *Oppose* Results: For: 97.9, Abstain: 0.1, Oppose/Withhold: 2.1,

E.13. *Authorise the Board of directors to allocate free performance shares to employees and executives*
It is proposed to grant the board authorization to allocate performance shares free of charge to employees and executives. The authorization will be valid for 38 months. Actual allocation will be subject to presence and performance conditions, one internal and one external, of which only the external has been disclosed and quantified (TSR). Performance will be measured over two years and shares will vest over a minimum of three years.
Although the performance conditions are above market practice (both in terms of disclosure and criteria), internal performance criteria are still undefined. In addition, the vesting time is not considered long term. On these bases, opposition is recommended.

Vote Recommendation: *Oppose* Results: For: 80.6, Abstain: 0.1, Oppose/Withhold: 19.3,

E.14. *Authorise the Board of Directors to grant stock options to executive and employees*
The company requests general approval to issue stock options, corresponding to maximum 1.5% of the issued share capital, to employees and management over a period of 38 months.
Performance conditions to be applied to those options awarded are not disclosed in full.
Dilution meets guidelines; however, the performance conditions applied to this specific plan are not disclosed. Opposition is recommended.

Vote Recommendation: *Oppose* Results: For: 64.0, Abstain: 0.1, Oppose/Withhold: 36.0,

BRAMBLES LTD AGM - 06-11-2014

2. *Approve the Remuneration Report*
Disclosure: Overall disclosure is considered acceptable. However, specific performance targets are not provided for STI awards, either on retrospective or prospective basis.
Short-Term Incentives : These are based on Brambles Value Added (BVA) which represent the value generated over and above the cost of the capital used to generate that value, Cash Flow from Operations and Profit After Tax (PAT) financial targets; and non-financial measures which include personal objectives in areas such as safety, business strategy and growth objectives, customer satisfaction and retention, and people and talent management. The STI comprise a cash component and a deferred portion which is delivered as equity two years following the cash payment.
Long-Term Incentives : LTI awards at the Company normally comprise performance share rights. Half of the LTI share awards are based on the relative TSR condition where 40% of LTI share awards vest if the Company's relative TSR performance equals the TSR of the median ranked ASX100 company and 100% vest for out-performance of the TSR of the median-ranked ASX100 company by 25%. Vesting occurs on a pro rata straight line basis for performance in between these two levels. The other half vest based on both long-term sales revenue targets which are underpinned by BVA hurdles. Specific targets are also provided in the report.
Contracts: Executive Directors' contracts may be terminated by the employer giving 12 months notice or by the employee giving six months notice. LTI awards continue to vest, for a Good Leaver, subject to pro-rata for time in service. Malus provisions are in place for unvested awards.
Summary: Variable remuneration has the potential to be excessive, as STI and LTI awards are not individually capped, and as it is noted, rewards made in the year to the CEO were excessive when compared to his base salary. LTI performance conditions work independently of each other, which is considered to be against best practice. Multiple interdependent metrics should be used, which include a non-financial element. The three-year performance condition is not considered sufficiently long-term and no holding period is used. The shareholding policy in place does not set a time-frame in which the minimum requirement must be met. Guidelines recommend this should be met in three years for Executive Directors. There is no evidence of a real clawback policy and the Committee cannot retrieve awards already made to Directors. No mitigation statement has been made. Opposition is recommended.

Vote Recommendation: *Oppose*

7. *Authorise issuance of shares under the brambles Limited 2006 Performance Share Plan*
Shareholder approval is being sought for the issue of Awards under the Performance Share Plan. Two types of awards can be made under the Performance Share Plan. First, STI awards under which participants may receive a bonus in the form of an award, or awards may also be granted to employees who do not ordinarily receive a cash bonus, secondly LTI awards, the vesting of which is subject to performance conditions. STI award normally only vests two years after grant and if the

participant is still employed in the Employer Group. LTI awards in place at the Company only vests three years after grant, to the extent that the performance condition is met. The performance condition for half of the LTI Awards will be based on Brambles' combined total shareholder return (TSR) compared against companies which are in the S&P/ASX100 at the beginning of the performance period. For the other half of the LTI awards will be based on the achievement of sales revenue targets performance hurdles set on a compound annual growth rate basis and underpinned by Brambles Value Add (BVA) hurdles. Quantified performance is not disclosed. The market value of Brambles Limited share awards made to any person in any financial year, shall not be more than 200% of their Total Fixed Remuneration, and 300% of Total Fixed Remuneration under exceptional circumstances. In event of cessation of employment, awards continue to vest for a Good Leaver, pro-rated down to reflect the time service. In the event of a takeover awards vest at the discretion of the Committee or alternatively, awards may be exchanged for equivalent awards over shares in the acquiring company subject to the consent of that company. As at 13 August 2014, 6,903,851 awards have been granted under the Performance Share Plan.

Summary and voting advice: Awards under the plan have the potential to be excessive. LTI Performance conditions work independently of each other, which is considered to be against best practice. Multiple interdependent metrics should be used, which include a non-financial element. The three-year performance period is not considered sufficiently long term. There is no holding period. Malus provisions are in place, however, the Committee cannot retrieve awards already made to Directors under the LTI. In the event a Director ceases employment or in the event of a takeover, vesting of awards is mainly at the discretion of the Remuneration Committee. Based on these concerns, oppose is recommended.

Vote Recommendation: *Oppose*

8. *Authorise issuance of shares under the Brambles Limited Myshare Plan*

Shareholder approval is being sought for the issue of awards under the Brambles Limited Myshare Plan. The limit on the number of new shares that may be issued under the MyShare Plan and any other employee share plan is 5% of the capital share. Under the plan, employees may acquire ordinary shares at a price determined by the Board which they must hold for a two year period. If they hold the shares and remain employed at the end of that two year period, Brambles will match the number of shares they hold by issuing or transferring to them the same number of shares which they held for the qualifying period at no additional cost to the employee. Employees may elect to reinvest the dividends payable on their acquired shares to purchase more shares in Brambles. The Board has set an annual limit on the annual value of acquired shares that participants may purchase up to a maximum of AUD 5,000. The Board has discretion to determine the price at which acquired shares will be purchased.

Although the proposed plan is open to all employees, there are concerns over the price at which employees purchase the awards. A discount to market price of more than 20% would be considered unacceptable. The price is set by the Remuneration Committee which does not set a limit for the discount. An oppose vote is therefore recommended.

Vote Recommendation: *Oppose*

9. *Approve the Grant of Awards to Thomas Joseph Gorman under the Brambles Limited 2006 Performance Share Plan*

The Board is seeking shareholder approval for the purposes of ASX Listing Rule 10.14 for the grant of performance rights under the Brambles Limited 2006 Performance Share Plan to Joseph Gorman, the CEO of the Company. The number of STI awards to be granted to Tom Gorman for the financial year 2015, will depend on the actual performance against annual targets. He will receive awards representing 35% of base salary for threshold performance, 60% of base salary for on target performance and 90% of base salary for maximum opportunity. LTI awards will have a face value of 130% of base salary. The maximum awards that the Director may receive under the authority have a face value of AUD5,108,400.

As previously expressed in Resolutions 2 and 7, LTI awards should not be supported as performance conditions work independently of each other and do not include non-finance measure(s). The three-year performance period is not considered sufficiently long term and no holding period applies. There is no evidence of a clawback policy for the awards. The high level of the Remuneration Committee's discretion in the event of termination of employment or takeover is not in the best interests of shareholders and negates the purpose of safeguards. Based on these concerns, opposition is recommended.

Vote Recommendation: *Oppose*

10. *Approve the Grant of Awards to Thomas Joseph Gorman under the Brambles Limited Myshare Plan*
The Board is seeking shareholder approval for the purposes of ASX Listing Rule 10.14 for the grant of performance rights under the Brambles Limited Myshare Plan to Joseph Gorman, the CEO of the Company. The maximum amount that Tom Gorman may contribute is AUSD 5,000 per annum. The CEO will be required to hold the shares for a period of two years. The matching ratio is 1:1. As expressed in Resolution 8, the price at which the Director will purchase the awards is entirely at the discretion of the Committee, which does not set a limit for the discount to market share price. Therefore opposition is recommended.

Vote Recommendation: *Oppose*

HAYS PLC AGM - 12-11-2014

2. *Approve Remuneration Policy*
Disclosure is acceptable. However, we would welcome further disclosure of TSR performance targets for the Performance Share Plan (PSP) awards made during the year.
The variable element of CEO pay is considered potentially excessive as it can amount up to 325% of his salary. The ratio CEO pay to average employee pay is also not considered adequate. The PSP performance metrics are not operating interdependently and its performance period is three years, without a further holding period, which is not considered sufficiently long-term.
The CEO's contract allows him to receive a sum in lieu of notice that equates to his salary, benefits and also his on-target bonus pro-rated for time, which is deemed inadequate. It is considered that all contracts, including those agreed prior 27 June 2012, should be in line with Company's policy. Malus provision exists for the PSP which is welcomed. Nevertheless, best practice would be to operate real clawback provisions for all incentive schemes, such that money already paid are shares which already vested (after the implementation of the clawback provision) can be recovered under exceptional circumstances. Also, upside discretion can be used by the Committee when determining severance payments under the different incentive schemes.
Rating: BDD.

Vote Recommendation: *Oppose* Results: For: 92.2, Abstain: 0.5, Oppose/Withhold: 7.3,

5. *Re-elect Alan Thomson*
Incumbent Chairman. Independent upon appointment. It is noted that he is the Chairman of another FTSE 250 Company, Bodycote plc, which is considered inappropriate. The role of the chairman is considered to be crucial to good governance as they are primarily responsible for the culture of the board, and by extension the organisation as a whole and for ensuring that the board operates effectively. As such we consider the chairman should be expected to commit a substantial proportion of his or her time to the role. A chair of more than one large public company cannot effectively represent corporate cultures which are potentially diverse and the possibility of having to commit additional time to the role in times of crisis is ever present, particularly in diverse international, complex and heavily regulated groups or groups which are undergoing significant governance changes. An oppose vote is therefore recommended.

Vote Recommendation: *Oppose* Results: For: 94.2, Abstain: 0.7, Oppose/Withhold: 5.1,

13. *Re-appoint the auditors: Deloitte LLP*
Non-audit fees represent approximately 22% of audit fees during the year under review and approximately 32% of audit fees over a three-year aggregate basis. This level of non-audit fees raises concerns over the independence of the auditor. An abstain vote is recommended.

Vote Recommendation: *Abstain* Results: For: 98.8, Abstain: 1.1, Oppose/Withhold: 0.1,

COMMONWEALTH BANK AUSTRALIA AGM - 12-11-2014

3. *Shareholder Resolution: Elect Mr Stephen Mayne*
Shareholder resolution proposed by Mr Mayne himself, individual shareholder.
In accordance with Rule 11.2(c) of the Constitution of the Commonwealth Bank of Australia, an external non-Board endorsed candidate, Mr Stephen Mayne, has submitted himself for election.
Mr Mayne explains that his nomination is a response to the concerns raised by the recent Senate Committee which called for a Royal Commission into the bank's financial advice division. He also stated that, if elected, he will undertake to work constructively and collegiately with the board and management team to maximize shareholder value in an environment of heightened governance and transparency.
The Board does not believe that it is in the best interests of shareholders that Stephen Mayne be elected as a member of the Board and recommends that shareholders vote against the resolution.
There is insufficient evidence of Mr Mayne's experience and skills in running Board of large listed companies. Also, the composition of the Board does not raise significant concerns as a large majority of the directors are independent. The appointment made during the year and subject to shareholders' approval are considered adequate. A vote against his election is therefore recommended.

Vote Recommendation: *Oppose*

4. *Approve the Remuneration Report*
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Vote Recommendation: *Oppose*

5. *Grant securities to Ian Narev*
The Board is seeking shareholder approval for the purposes of ASX Listing Rule 10.14 for the grant of 58,131 reward rights under the Group Leadership Reward Plan (GLRP) in relation to his long term incentive (LTI) arrangements. The present value of the award of 58,131 reward rights is AUD 2,650,000, using a valuation factor of 56%, which is approximately 100% of his fixed remuneration The maximum value of these rights is AUD 4,713,843 based on the volume weighted average price (VWAP) of the Company's ordinary shares over the five trading days up to and including 1 July 2014. The award is based on TSR (75%) and customer satisfaction (25%) performance conditions and the targets attached are adequately disclosed. While it would be best practice for these targets to operate interdependently, the use of a non-financial performance condition is welcomed. The performance period is four years which is acceptable, although a five year period would be preferred and considered properly long-term. No dividend equivalents are paid while LTI awards are unvested which is welcomed. The vesting scale of the TSR metric is however not considered sufficiently broad.
The amount granted under this plan, when combined with maximum potential annual bonus, is considered excessive. Also, the treatment of reward rights if Mr Narev leaves the group raises some concerns as he would continue to be entitled to unvested entitlements under the Plan.

Furthermore, LTIP based schemes are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the company (creating capital and - lawful - dividends). They act as a complex and opaque hedge against absolute company underperformance and long-term share price falls. They are also a significant factor in reward for failure.
An oppose vote is therefore recommended.

Vote Recommendation: *Oppose*

BROADRIDGE FINANCIAL SOLUTNS AGM - 13-11-2014

1a. *Re-elect Leslie A. Brun*
Non-executive Chairman. Not considered independent as he has been on the Board for more than nine years. It is noted that he is the Non-Executive Chairman of the former parent company, Automatic Data Processing. There is sufficient independent representation on the Board. However, there are concerns over his aggregate time commitments.

Vote Recommendation: *Abstain*

2. *Approve the pay Structure*
As a result of new SEC legislation that has entered into force (Section 951 of The Dodd-Frank Wall Street Reform and Consumer Protection Act), the company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The detailed commentary on the disclosures made by the company are contained in the body of this report and the voting outcome for this resolution reflects the balance of our opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: BDA

Disclosure rating: B - Specific targets for the annual bonus are disclosed, though not forward looking targets.

Balance rating: D - There are no additional performance targets attached to the stock options. The performance period is less than three years. EPS is used as a performance metric under both the annual bonus and the RSU plan.

Contracts rating: A - both a "double trigger" and a "clawback" policy are in place.

Based upon this rating an oppose vote is recommended.

Vote Recommendation: *Oppose*

SHANDONG WEIGAO GP MED POYL CLASS - 17-11-2014

1. *Approve new executive share option scheme/plan.*
Authority is sought to approve the adoption of the Share Award Scheme which will be effective for a term of 10 years commencing from the Adoption Date. The purpose for such scheme is to recognise and motivate the contributions of employees, attract and retain quality talents, ensure the realisation of the Group's development strategy

and business objectives and attain a long-term relationship between the Group and its employees. The maximum number of Non-listed Shares subject to the Share Award Scheme will not exceed 5% of the issued share capital of the Company as at the Adoption Date prior to the issue of any Incentive Shares, in addition, Non-Listed Shares that may be granted to a Selected Employee must not exceed 0.5% of the issued share capital of the Company. The scheme is for selected employees and will be subject to a lock-up period and performance target based on certain key performance index.
The Circular contains full details of the conditions and reason for the share scheme. However, there are concerns over the dilution effect that the issuance will have in the time period, in addition, the Company has not provided information on the performance conditions attached to the share award and the vesting period. Finally, there are concerns that the scheme is aimed for selected employees rather than all the employees of the company which will provide preferential treatment to certain employees.

Vote Recommendation: *Oppose*

2. *Approve the allotment and issue of the Non-Listed Shares subject to the executive incentive scheme.*
Given the concerns over the dilution effect of the issuance of the share for the purpose of scheme and pursuant to the voting recommendation for resolution 1, opposition is recommended.

Vote Recommendation: *Oppose*

3. *Authorise the directors to take all actions the consider necessary to give effect to the scheme and/or the issue of Non-Listed Shares.*
Standard Proposal. However, pursuant to the voting recommendation set out in resolution 1, opposition is recommended.

Vote Recommendation: *Oppose*

SHANDONG WEIGAO GP MED POYL EGM - 17-11-2014

3. *Approve new executive share option scheme/plan*
Authority is sought to approve the adoption of the Share Award Scheme which will be effective for a term of 10 years commencing from the Adoption Date. The purpose for such scheme is to recognise and motivate the contributions of employees, attract and retain quality talents, ensure the realisation of the Group's development strategy and business objectives and attain a long-term relationship between the Group and its employees. The maximum number of Non-listed Shares subject to the Share Award Scheme will not exceed 5% of the issued share capital of the Company as at the Adoption Date prior to the issue of any Incentive Shares, in addition, Non-Listed Shares that may be granted to a Selected Employee must not exceed 0.5% of the issued share capital of the Company. The scheme is for selected employees and will be subject to a lock-up period and performance target based on certain key performance index.
The Circular contains full details of the conditions and reason for the share scheme. However, there are concerns over the dilution effect that the issuance will have in the time period, in addition, the Company has not provided information on the performance conditions attached to the share award and the vesting period. Finally, there are concerns that the scheme is aimed for selected employees rather than all the employees of the company which will provide preferential treatment to certain employees.

Vote Recommendation: *Oppose*

SMITHS GROUP PLC AGM - 18-11-2014

1. *Receive the Annual Report*

Strategic Report meets guidelines. Adequate environmental and employment policies are in place and relevant, up-to-date, quantified environmental reporting is disclosed. The Company also disclosed the proportion of women on the Board, in Executive Management positions and within the whole organisation. However, the company has made donations in the US which are deemed to be political during the year. The Group made political donations of US$42,600 (£25,000) to 'raise awareness and to promote the interests of the Company, on a bi-partisan basis'. Such donations require additional clarification as to who are exactly the recipients and how such expenditure is in the best interest of shareholders. An abstain vote is therefore recommended.

Vote Recommendation: *Abstain* Results: For: 98.6, Abstain: 1.1, Oppose/Withhold: 0.3,

2. *Approve Remuneration Policy*

Disclosure is acceptable
Maximum potential awards under all incentive schemes are considered highly excessive and the use of a Co-Investment Plan (CIP) to match the deferred element of the Annual Bonus is considered inappropriate. The Long-Term Incentive Plan (LTIP) is based on metrics which are not operating interdependently. The performance period of the LTIP is three years, without further holding period beyond vesting, which is not sufficiently long-term.
The contract policy is not in line with best practice. The contracts of the CEO allows him to receive termination payments in excess of one year salary and benefits. Upside discretion can also be used by the Committee when determining severance payments under the different incentive schemes. Finally, the Company's recruitment policy allows for the replication of new appointees' forfeited schemes at their previous employers, which is an inappropriate practice.
Rating: ADD.

Vote Recommendation: *Oppose* Results: For: 92.3, Abstain: 2.8, Oppose/Withhold: 4.9,

6. *Re-elect Mr P. Bowman*

Chief Executive Officer. 12 months rolling contract. There are concerns over his aggregate time commitments. An abstain vote is recommended.

Vote Recommendation: *Abstain* Results: For: 98.5, Abstain: 1.1, Oppose/Withhold: 0.4,

CLOROX CO. AGM - 19-11-2014

1.1. *Elect Daniel Boggan, Jr.*

Non-Executive Director. Not considered independent as he has served on the board for over nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 99.4, Abstain: 0.6, Oppose/Withhold: 0.0,

1.5. *Elect Donald R. Knauss*

Executive Chairman. Mr. Knauss will become Executive Chairman of the Company on November 20, 2014. He has served as Chairman and Chief Executive Officer of the Company since October 2006. It is not considered appropriate for the CEO to become an Executive Chairman as the two roles should be separate and an Executive Chairman can impinge upon the independent functioning of the Chief Executive.

Vote Recommendation: *Oppose* Results: For: 99.5, Abstain: 0.5, Oppose/Withhold: 0.0,

1.7. *Elect Robert W. Matschullat*
Senior Independent Director. Independent by the Company, but not independent by PIRC as he served as interim CEO and interim Chairman from March 2006 through October 2006. Further, he has been on the board for over nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 99.4, Abstain: 0.6, Oppose/Withhold: 0.0,

1.10. *Elect Pamela Thomas-Graham*
Non-Executive Director. Not considered to be independent as she has served on the Board for more than nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 99.5, Abstain: 0.5, Oppose/Withhold: 0.0,

1.11. *Elect Carolyn M. Ticknor*
Non-Executive Director. Not considered to be independent as she has served on the Board for more than nine years. There is insufficient independent representation on the Board.

Vote Recommendation: *Oppose* Results: For: 99.4, Abstain: 0.6, Oppose/Withhold: 0.0,

2. *Approve Pay Structure*
The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of our opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: CDC
Disclosure rating: C - Performance criteria is disclosed for the annual bonus is disclosed for the year under review, in retrospect, but not for the forthcoming year.
Balance rating: D - Stock options vest at the rate of one-fourth per year over four years, which is not considered adequate. There is no cap for the maximum variable remuneration.
Contracts rating: C - There is potential for excessive payouts in the event of a change in control.
Based upon this rating an oppose vote is recommended.

Vote Recommendation: *Oppose* Results: For: 98.6, Abstain: 1.4, Oppose/Withhold: 0.0,

SONIC HEALTHCARE LTD AGM - 20-11-2014

1. *Re-elect Peter Campbell*
Non-Executive Chairman. Not considered to be independent as he has been on the Board for more than nine years. There is insufficient independent representation on the board.

Vote Recommendation: *Oppose*

2. *Re-elect Lou Panaccio*
Non-Executive Director. Not considered to be independent as he has been on the Board for more than nine years. There is insufficient independent representation on the board. There are also concerns over his aggregate time commitments, opposition is recommended.

Vote Recommendation: *Oppose*

5. *Approve the Remuneration Report*
Disclosure:
Overall disclosure is good. The policy statement is clear and concise.
Balance of Performance and Reward:
Total remuneration comprises both a fixed and variable component, which consists of both short and long term incentives.
Short-Term Incentives:
70% of STI is based on annual EBITDA growth with awards vesting pro rata from 40% to 100% with EBITDA growth from 5% to 12%. The remaining 30% is based on qualitative factors assessed by the Remuneration and Nomination Committee. For Financial Year 2015 the hurdles for EBITDA growth have been adjusted so that the maximum STI payout is 135% of base salary.
Long-Term Incentives
60% of the Maximum annual value of LTI is granted as share options. The rest is performance rights award. There are two separate performance conditions to be applied with a 50% weighting for each. 50% of the options and 50% of the performance rights are subject to Compound Average Growth Rate ("CAGR") in Return on Invested Capital ("ROIC") performance, and the other 50% of each are subject to relative Total Shareholder Return. TSR minimum vesting target is not considered challenging and a vesting scale over 25 percentiles is not considered broad enough. The awards will vest over a three year period with 30% vesting in year one and two and 40% vesting in year three, which is not sufficiently long term.
Contracts:
None of the key management personnel of Sonic Healthcare Limited has a service contract. Rather the terms and entitlements of employment are governed by applicable employment laws. Notice periods are not clearly stated.
Summary:
Overall remuneration levels paid during the year are not considered excessive, however future awards do have the potential to be so. The company is also proposing a significant increase in the overall quantum pay going forward which is deemed excessive. Also LTIP based schemes are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the company (creating capital and - lawful - dividends). They act as a complex and opaque hedge against absolute company underperformance and long-term share price falls. They are also a significant factor in reward for failure. Based on these concerns opposition is recommended.

Vote Recommendation: *Oppose*

6. *Approval of the issue of securities under the Sonic Healthcare Limited Employee Option Plan as an exception to ASX Listing Rule 7.1*
Approval of this resolution would permit the Company to issue more than 15% of its securities. Issuance beyond this amount is considered to be overly dilutive. On this basis, it is recommended that shareholders oppose. It is noted that opposing this resolution does not infringe on the companies ability to make awards in general.

Vote Recommendation: *Oppose*

7. *Approval of the issue of securities under the Sonic Healthcare Limited Performance Rights Plan as an exception to ASX Listing Rule 7.1*
Approval of this resolution would permit the Company to issue more than 15% of its securities. Issuance beyond this amount is considered to be overly dilutive. On this basis, it is recommended that shareholders oppose. It is noted that opposing this resolution does not infringe on the companies ability to make awards in general.

Vote Recommendation: *Oppose*

8. *Approval of long term incentives for Dr Colin Goldschmidt, Managing Director and Chief Executive Officer*
60% of the Maximum annual value of LTI is granted as share options. The rest is performance rights award. There are two separate performance conditions to be applied with a 50% weighting for each. 50% of the options and 50% of the performance rights are subject to Compound Average Growth Rate ("CAGR") in Return on Invested Capital ("ROIC") performance, and the other 50% of each are subject to relative Total Shareholder Return. TSR minimum vesting target is not considered challenging and a vesting scale over 25 percentiles is not considered broad enough. The awards will vest over a three year period with 30% vesting in year one and two and 40% vesting in year three, which is not sufficiently long term. Also LTIP based schemes are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the company (creating capital and - lawful - dividends). They act as a complex and opaque hedge against absolute company underperformance and long-term share price falls. They are also a significant factor in reward for failure. Based on these concerns opposition is recommended.

Vote Recommendation: *Oppose*

9. *Approval of long term incentives for Mr Chris Wilks, Finance Director and Chief Financial Officer*
60% of the Maximum annual value of LTI is granted as share options. The rest is performance rights award. There are two separate performance conditions to be applied with a 50% weighting for each. 50% of the options and 50% of the performance rights are subject to Compound Average Growth Rate ("CAGR") in Return on Invested Capital ("ROIC") performance, and the other 50% of each are subject to relative Total Shareholder Return. TSR minimum vesting target is not considered challenging and a vesting scale over 25 percentiles is not considered broad enough. The awards will vest over a three year period with 30% vesting in year one and two and 40% vesting in year three, which is not sufficiently long term. Also LTIP based schemes are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the company (creating capital and - lawful - dividends). They act as a complex and opaque hedge against absolute company underperformance and long-term share price falls. They are also a significant factor in reward for failure. Based on these concerns opposition is recommended.

Vote Recommendation: *Oppose*

WESFARMERS LTD AGM - 20-11-2014

3. *Approve the Remuneration Report*
Disclosure:
Overall disclosure is good. The policy statement is clear and concise.
Balance of Performance and Reward:
Total remuneration comprises both a fixed and variable component, which consists of both short and long term incentives.
Short-Term Incentives:
These are based on cash awards up to 100 per cent of fixed annual remuneration (FAR) for the Managing Director and 60% for other Executives , with any amount awarded above that provided in the form of restricted shares. The cap on the annual incentive award is 120% of FAR. These awards are based on both financial

and non-financial targets; Group NPAT and ROE, Balance Sheet, Divisional EBIT, Divisional ROC, Store sales growth, coal sales and mine cash costs and agreed objectives include diversity, safety and talent. The weighting of each target is not disclosed.

Long-Term Incentives:

The LTI is based on two performance criteria 75% is attributed to Compound Annual Growth Rate (CAGR) in ROE and 25% to TSR both measured over a four year period. Awards are made via performance rights with maximum awards of 200% of FAR for the Managing Director and 160% for other executives. For both criteria 50% of awards vest at the 50th percentile with an additional two percent award for each percentile increase up to the 75th percentile. This vesting scale at less than three deciles is not considered sufficiently broad.

Contracts:

Contracts for executives are in line with best practice. The notice period for executives and the Company are all within 12 months.

Summary:

Overall remuneration levels were excessive as variable pay accounted for 62% of fixed pay. No Long Term Incentive Plan award vested because of the change in performance period from three to four years. However, Dividend accrual occurs on all LTI shares outstanding and accounting charges led to payment of $2.4million to Mr. Goyder during the year. This is deemed highly excessive. Specific future targets a not disclosed for the annual bonus which is a frustration for shareholders as they are unable to effectively asses the stringency of targets. Targets do not operate interdependently and no non-finaical metric is utilised for the LTI, which is against best practice. Based on these concerns opposition is recommended.

Vote Recommendation: *Oppose*

4. *Approve the grant of performance rights to the Group Managing Director*

The LTI is based on two performance criteria 75% is attributed to Compound Annual Growth Rate (CAGR) in ROE and 25% to TSR both measured over a four year period. Awards are made via performance rights with maximum awards of 200% of FAR for the Managing Director and 160% for other executives. For both criteria 50% of awards vest at the 50th percentile with an additional two percent award for each percentile increase up to the 75th percentile. This vesting scale at less than three deciles is not considered sufficiently broad. Also LTIP based schemes are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the company (creating capital and - lawful - dividends). They act as a complex and opaque hedge against absolute company underperformance and long-term share price falls. They are also a significant factor in reward for failure. Based on these concerns opposition is recommended.

Vote Recommendation: *Oppose*

5. *Approve the grant of performance rights to the Group Finance Director*

The LTI is based on two performance criteria 75% is attributed to Compound Annual Growth Rate (CAGR) in ROE and 25% to TSR both measured over a four year period. Awards are made via performance rights with maximum awards of 200% of FAR for the Managing Director and 160% for other executives. For both criteria 50% of awards vest at the 50th percentile with an additional two percent award for each percentile increase up to the 75th percentile. This vesting scale at less than three deciles is not considered sufficiently broad. Also LTIP based schemes are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the company (creating capital and - lawful - dividends). They act as a complex and opaque hedge against absolute company underperformance and long-term share price falls. They are also a significant factor in reward for failure. Based on these concerns opposition is recommended.

Vote Recommendation: *Oppose*

WISCONSIN ENERGY CORP. EGM - 21-11-2014

1. *Issue shares of common stock in line with the planned merger among Wisconsin Energy Corporation and Integrys Energy Group Inc.*

The Board is seeking shareholder approval for the issuance of shares in connection with the merger of Integrys Energy Group (Integrys) with and into Wisconsin Energy Corporation (Wisconsin Energy). Under the terms of the merger agreement, Integrys shareholders will have the right to receive 1.128 shares of Wisconsin Energy common stock plus $18.58 in cash, per each share of Integrys common stock. If the merger is completed, it is currently estimated that Wisconsin Energy will issue or reserve for issuance approximately 90 million shares of Wisconsin Energy common stock in connection with the merger. On an as-converted basis, the aggregate number of shares of Wisconsin Energy common stock to be issued in the merger will exceed 20 percent of the shares of Wisconsin Energy common stock outstanding before such issuance. For this reason, Wisconsin Energy must obtain the approval of Wisconsin Energy stockholders for the issuance of shares of Wisconsin Energy common stock to Integrys shareholders in connection with the merger.

Such transactions are considered on the basis of whether there has been adequate disclosure and sufficient independent objective oversight. While there has been appropriate disclosure of the risks and benefits of the transaction, there is insufficient independence on the Board to provide assurance that the transaction has received adequate objective scrutiny. On this basis it is recommended that shareholders abstain.

Vote Recommendation: *Abstain*　　Results: For: 99.1, Abstain: 0.9, Oppose/Withhold: 0.0,

3. *Adjourn the special meeting and if necessary solicit additional proxies.*

Where a meeting has been properly called and a quorum obtained, it is considered that the will of the majority present at the meeting should prevail and that it is inappropriate to adjourn the meeting. It is recommended that shareholders oppose.

Vote Recommendation: *Oppose*

AMLIN PLC EGM - 24-11-2014

1. *Approve Remuneration Policy*

Disclosure: The Company does not provide specific performance conditions and targets for the Annual Bonus Plan. Also, the remuneration structure is not appropriately linked to the Company specific business objectives.

Balance: The Company operates an Annual Bonus Plan under which Executive Directors may be granted awards up to 165% of base salary for those not involved in underwriting activities and 400% of base salary for Directors involved in underwriting activities. Although it is noted that the limit has been decreased, the cap is still considered excessive particularly for Directors in underwriting or when aggregated with other variable schemes. It is also welcomed that any bonus paid to an Executive Director in excess of a predetermined percentage of salary will be deferred into shares, in three tranches over the ensuing three year period. Awards under the Performance Share Plan (PSP) are capped at 200% of base salary. Total variable pay is therefore considered excessive as grants equivalent to 600% of base salary may be made to Directors. PSP awards vest subject a single criterion: the average return on consolidated net tangible assets. This runs against best practice as multiple interdependent performance conditions should be used, including a non-financial measure. It is commended that the performance period is set at five years. The Company does not disclose the Directors' minimum shareholding requirements, although it specifies that these should be met within three years. There is no evidence schemes are available to enable all employees to benefit from business success without subscription.

Contracts: Executive Directors' contracts may be terminated by either party giving twelve months notice. The Committee has the discretion to determine whether a 'Good Leaver' status should be applied on termination. Besides contractual termination payments, a Good Leaver may receive, subject to performance conditions, a pro rated bonus relating to the year of cessation, which is against best practice. Also PSP awards may vest early, subject to satisfactory performance, and the

Committee has discretion to dis-apply pro rata for time in service. This does not align with shareholders' interests. Clawback provisions are in place for both the bonus and PSP awards. Mitigation arrangements exist.
Rating: BDC

Vote Recommendation: *Oppose* Results: For: 98.1, Abstain: 0.0, Oppose/Withhold: 1.9,

2. *Amend existing long term incentive plan*
The Amlin plc 2014 Performance Share Plan (PSP) is proposed to replace the existing PSP and Long Term Incentive Plan. The scheme expires in 10 years. The amount of awards that may be granted under the scheme shall not exceed 10% of the Company's issued ordinary share capital.
Disclosure is considered acceptable.
The grants are individually capped at 200% of base salary and 300% of base salary in exceptional circumstances. The PSP awards are considered excessive particularly when aggregated with other variable schemes and can lead to generous payouts. It is pleasing that awards vest over an adequate performance period of five years. However, awards are only based on a single criterion: the average return on consolidated net tangible assets. This runs against best practice multiple interdependent performance conditions should be used, including a non-financial measure. It is noted that clawback provisions will be attached to the awards made under the plan. In the event of cessation of employment, a Good leaver's awards may vest early, subject to satisfactory performance and the Committee has discretion to dis-apply pro rata for time in service. This does not align with shareholders' interests. The Remuneration Committee has also the ability to adjust the extent to which an award may vest in exceptional circumstances. Such a high level of discretion negates the purpose of safeguards.
Furthermore, Long Term Incentive Plans based schemes are inherently flawed. There is the inherent risk that they are rewarding volatility rather than the performance of the company (creating capital and - lawful - dividends). They are inherently acting as a complex and opaque hedge against absolute company under performance and long-term share price falls. They are also a significant factor in reward for failure.
Rating: DB

Vote Recommendation: *Oppose* Results: For: 98.1, Abstain: 0.0, Oppose/Withhold: 1.9,

WOLSELEY PLC AGM - 25-11-2014

2. *Approve the Remuneration Report*
All elements of each director's cash remuneration and pension contributions are disclosed. All share incentive awards are fully disclosed with award dates and prices. There were no significant changes in policy and no compensation payments were made during the year under review. However, changes in CEO pay over the last five years are not considered in line with Company's financial performance. The variable remuneration paid to the CEO for the year under review is considered excessive.
Rating: C.

Vote Recommendation: *Abstain* Results: For: 92.5, Abstain: 6.0, Oppose/Withhold: 1.5,

3. *Approve Remuneration Policy*
Disclosure is acceptable.
Maximum potential awards under all incentive schemes are considered highly excessive. The ratio of CEO pay to average employee pay is also considered inappropriate. The use of two long-term incentive schemes, each using only one performance criteria, is deemed contrary to best practice. The performance periods are also not considered sufficiently long-term. Also, there are no schemes available to enable all employees to benefit from business success without subscription.

Finally, upside discretion can be used by the Committee when determining severance payments under the different incentive schemes. Furthermore, the Company's recruitment policy allows for the replication of new appointees' forfeited schemes at their previous employers, which is an inappropriate practice.
Rating: AEC.

Vote Recommendation: *Oppose* Results: For: 89.0, Abstain: 5.0, Oppose/Withhold: 6.1,

7. *To re-elect Mr Gareth Davis*
Incumbent Chairman. Considered independent upon appointment. However, it is noted that he is also the Chairman of two other FTSE 350 companies. The role of the chairman is considered to be crucial to good governance as they are primarily responsible for the culture of the board, and by extension the organisation as a whole and for ensuring that the board operates effectively. As such we consider the chairman should be expected to commit a substantial proportion of his or her time to the role. A chair of more than one large public company cannot effectively represent corporate cultures which are potentially diverse and the possibility of having to commit additional time to the role in times of crisis is ever present, particularly in diverse international, complex and heavily regulated groups or groups which are undergoing significant governance changes.

Vote Recommendation: *Oppose* Results: For: 92.4, Abstain: 1.3, Oppose/Withhold: 6.3,

15. *Re-appoint the auditors: PricewaterhouseCoopers LLP*
Non-audit fees represent approximately 21% of audit fees during the year under review and approximately 34% of audit fees over a three-year aggregate basis. This raises concerns over the independence of the auditor. An abstain vote is recommended.

Vote Recommendation: *Abstain* Results: For: 96.7, Abstain: 2.2, Oppose/Withhold: 1.1,

17. *Approve Political Donations*
Approval sought to make donations to political organisations and incur political expenditure not exceeding £125,000 in total. The Company did not make any political donations or incur any political expenditure and has no intention either now or in the future of doing so. However, the maximum limit sought under this authority is considered excessive. An abstain vote is recommended.

Vote Recommendation: *Abstain* Results: For: 97.1, Abstain: 1.9, Oppose/Withhold: 1.1,

WOOLWORTHS LTD AGM - 27-11-2014

2c. *Re-elect Stephen Mayne*
Self-nominated for Non-Executive Director role. Mr Mayne has offered himself as a Director as he believes he would bring a strong understanding of corporate social responsibility to the Board. The Board does not support Mr Mayne's nomination as they do not consider that Mr Mayne has appropriate extensive knowledge, experience and skills to meet the Board's responsibilities and objectives. This is the second time that Mr Mayne has stood for election.
There is insufficient evidence of Mr Mayne's experience in running large listed companies of retail industries. Therefore his election can not be supported.

Vote Recommendation: *Oppose*

3. *Approve Long Term Incentive Plan issue to Managing Director and Chief Executive Officer*

The Board is seeking shareholder approval for the purposes of ASX Listing Rule 10.14 for the grant of 67,514 performance rights under the LTI plan to Mr Grant O'Brien, the MD and CEO of the Company. Using the volume weighted average share price of Woolworths Limited shares in the five days prior to 1 July 2014 which was AUD 34.46, the awards have a face value of AUD 2,326,532 and represent approximately 100% of the CEO and MD's base salary. The performance period is three years. Awards will be assessed against comparative TSR performance (50%) and (50%) according to EPS targets. Vesting scales and specific performance targets are provided.

As expressed in Resolution 4, support cannot be recommended for LTI awards as the performance conditions work independently of each other and do not include non-financial measure. The vesting scale is not considered sufficiently broad for both the TSR and EPS performance metrics targets. The three-year performance period is not considered sufficiently long term and no holding period applies. There is no clawback arrangements in relation to rewards already granted to the Director.

Vote Recommendation: *Oppose*

4. *Approve the Remuneration Report*

Disclosure: Overall disclosure is considered acceptable. However, specific performance targets are not provided for STI awards, either on retrospective or prospective basis.

Short-Term Incentives Awards (STI): Deferral under the STIP was considered for FY15, but deemed inappropriate by the Remuneration Committee, given the introduction of minimum shareholding targets. The removal of a deferral element does not align with shareholders interests. STIP is based on a number of factors, including Group performance (NPAT growth), divisional or functional performance: sales, Profit, Return on funds employed (ROFE), Cost of doing business (CODB), and individual performance. The weighting of the factors is not disclosed. No maximum individual cap has been disclosed for the STIP.

Long-Term Incentive Awards: LTIP consists of Performance Rights. The 2014 awards vest after a five year performance period. However, this performance period has been reduced to three years for 2015 awards. This is not supported as the this period is not considered sufficiently long-term. No additional holding period will apply. 50% of the award vests according to comparative TSR performance and 50% according to EPS targets. No non-financial measure is used and so the focus may only be given to financial metrics and not the Company's performance as a whole. Targets set are not considered to be sufficiently broad: The TSR element provides for less than three deciles between performance levels and there is less than 6% percentage points between the EPS performance levels. Performance conditions are applied independently of each other which is not considered best practice. No maximum individual cap has been disclosed for the LTI.

Contracts: Contracts may be terminated by either the Company or the employee providing 12 months notice. Upside discretion of the Committee exits as the Board may allow STI and unvested LTIP to continue to accrue for Good Leavers.

Summary: Variable rewards made in the year under review are not considered to be excessive in comparison with base salary. However, they have the potential to be excessive as awards are not individually capped. The Company has introduced shareholding guidelines, however the time-frame in which the minimum requirement must be met is not considered adequate, at more than three years. There is no evidence a clawback policy exist. No mitigation statement has been made in the case of cessation of employment. Opposition is recommended.

Vote Recommendation: *Oppose*

RYANAIR HOLDINGS PLC EGM - 28-11-2014

1. *Approve the purchase under the 2014 Boeing Contract*

The Board seeks approval for the purchase up to up to 200 Boeing 737 MAX 200 Aircraft "gamechanger" aircraft during a five year period from 2019 to 2023. The ageement includes 100 firm aircraft and 100 options. When finalized, the deal will be worth USD 22 billion . Shareholder approval is requested due to the size of the purchase. There is sufficient disclosure on the transaction. However, as the Board has insufficient independent representation, there are concerns that it has not been presented to sufficient independent scrutiny. It is recommended to abstain.

Vote Recommendation: *Abstain*

SINGAPORE PRESS HOLDINGS LTD AGM - 02-12-2014

3ii. *Re-elect Lucien Wong Yuen Kuai*
Non-Executive Director. Not considered to be independent as he is a director of Temasek Holdings, which has significant indirect ownership of the Company through controlling stakes in Singapore Telecommunications and Development Bank of Singapore, which hold 13.3% and 9.5% respectively. There is insufficient independent representation on the Board. Opposition is recommended.

Vote Recommendation: *Oppose*

6. *Appoint the auditors and allow the board to determine their remuneration*
It is proposed to re-appoint KPMG as auditors. The proportion of non-audit to audit fees for the year under review is 31.1% and 58.3% over two years. This raises significant concerns over the independence of the auditors.

Vote Recommendation: *Abstain*

7. *Transact any other business*
Shareholders should receive sufficient notice of proposals brought forward by either management or other shareholders. As such, any other proposition brought forward in the meeting would provide insufficient time for an informed assessment.

Vote Recommendation: *Oppose*

MICROSOFT CORP. AGM - 03-12-2014

2. *Advisory Vote on Compensation*
The company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The commentary on the disclosures made by the company are contained in the body of this report and the voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: CEA (2013: CDA). Based on this rating it is recommended that shareholders oppose.

Vote Recommendation: *Oppose* Results: For: 99.3, Abstain: 0.7, Oppose/Withhold: 0.0,

4. *Shareholder Resolution: Proxy Access for Shareholders*
Proponent: Myra K. Young.

The proponents asks the Board, to the fullest extent permitted by law, to amend the Company's governing documents to allow share owners to make board nominations. It is noted that shareholders may already nominate one or more directors whom the board will then evaluate under the same criteria it applies to its own candidates. Recommendation: While we are in sympathy with the aims of this proposal and believe that the board is need of replenishment, there are concerns over the way in which the proposal is structured which may give rise to confusion, if adopted. On this basis, it is recommended that shareholders abstain.

Vote Recommendation: *Abstain* Results: For: 95.0, Abstain: 5.0, Oppose/Withhold: 0.0,

MYRIAD GENETICS INC AGM - 04-12-2014

2. *Amend existing 2010 executive share option scheme/plan*

The Board is seeking shareholder approval for amendments to the 2010 Employee, Director and Consultant Equity Incentive Plan. The main aim of the amendment is to increase the common stock available for the grant of awards under the plan by 2,000,000 shares. Another purpose of the amendment is to qualify awards under the Plan under Section 162(m) of the Internal Revenue Code which restricts the deductibility of compensation which is not performance-based. Additionally, in response to shareholders the board has started to issue restricted stock unit awards to reduce the dilutive effect of the plan (which was a concern raised at the 2013 AGM). As the board issues restricted stock unit awards, they will reduce the number of shares available for future grant from the 2010 Plan on a 2 for 1 basis. However, based on the level of discretion granted to the Compensation Committee to determine all provisions of the awards (which is not considered fully independent), including performance conditions, if any, it is recommended that shareholders oppose.

Vote Recommendation: *Oppose*

4. *Approve advisory vote on Executive Compensation*

The company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The commentary on the disclosures made by the company are contained in the body of this report and the voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: CDB (2013: CDA) Based on this rating it is recommended that shareholders oppose.

Vote Recommendation: *Oppose*

ASSOCIATED BRITISH FOODS PLC AGM - 05-12-2014

11. *To re-elect Charles Sinclair*

Incumbent Chairman. Independent on appointment. Also Chairman of the Nomination Committee which has not adhered to Lord Davies' recommendation of setting a target for female representation on Board by 2015. An oppose vote is recommended.

Vote Recommendation: *Oppose* Results: For: 94.3, Abstain: 5.0, Oppose/Withhold: 0.7,

3. *Approve Remuneration Policy*

Disclosure with regards to the policy is considered acceptable. The Company operates one Long Term Incentive Plan (LTIP) although awards continue to vest under a

legacy plan. LTIP awards vest subject to one single performance measure. This is against best practice as multiple performance conditions which include a non-financial metric should be used in an interdependent manner. At three years, the performance period is not considered sufficiently long term. It is welcomed that an additional holding period of two year has been introduced. Potential awards that can be made to the Directors and under all variable plans are considered excessive, as the maximum individual limits for awards under performance-related plans allow for up to 300% of base salary equivalent of awards. The ratio of CEO pay to employee average pay is not disclosed, however it is, by estimate, also considered excessive at 133 to 1. Shareholding requirements are in place, however the Remuneration Committee does not set an adequate time-frame. Schemes are not available to enable all employees to benefit from business success without subscription.
The Company's recruitment policy allows for the replication of new appointees' forfeited schemes at their previous employers. This practice undermines the rationale behind the remuneration policy to retain Executive Directors. Upside discretion may be used while determining severance. The Committee has the discretion to determine whether 'Good Leaver' status should be applied on termination. The Executive's notice period may not be taken into account in any pro rating for vesting LTIP awards. Such discretion negates the purpose of safeguards in place. Also, the discretion may reward the Director for performance not obtained. Mitigation arrangements exist. There is a clawback policy in place, however, there is no evidence that the Company may retrieve awards already made to the Directors. Takeover provisions attached to the LTIP are not disclosed.
Rating: ADD

Vote Recommendation: *Oppose* Results: For: 90.4, Abstain: 0.2, Oppose/Withhold: 9.4,

14. *Re-appoint the auditors: KPMG LLP*
Non-audit fees represent 37.93% of audit fees during the year under review and 36.75% of audit fees over a three-year aggregate basis. This level of audit fees raises significant concerns over the Auditor' s independence.

Vote Recommendation: *Abstain* Results: For: 98.6, Abstain: 0.3, Oppose/Withhold: 1.0,

PROSPECT CAPITAL CORP AGM - 05-12-2014

2. *Authorise the board to sell shares at prices below the company's then current net asset value per share.*
The Board is seeking authorization for the Company, with approval of its Board of Directors, to sell shares of its Common Stock (during the next 12 months) at a Price or Prices below the Company's then current Net Asset Value Per Share in one or more Offerings subject to certain conditions (including that the number of shares sold on any given date does not exceed 25% of its outstanding Common Stock immediately prior to such sale).
The issuance of shares at a discount to NAV could potentially result in significant dilution to existing shareholders if not sold on a pre-emptive rights basis to existing shareholders. There is no guarantee that existing shareholders would be the only parties to whom shares are to be sold. On this basis it is recommended that shareholders oppose.
The proposal will be approved if the Company obtains the affirmative vote of (1) a majority of the outstanding shares of common stock entitled to vote at the Annual Meeting; and (2) a majority of the outstanding shares of common stock entitled to vote at the Annual Meeting that are not held by affiliated persons of the Company. For purposes of this alternative, the Investment Company Act of 1940, or 1940 Act, defines "a majority of the outstanding shares" as: (1) 67% or more of the voting securities present at a meeting if the holders of more than 50% of the outstanding voting securities of such company are present or represented by proxy; or (2) 50% of the outstanding voting securities of a company, whichever is the less.

Vote Recommendation: *Oppose*

MINDRAY MEDICAL INTL AGM - 10-12-2014

2. *Re-elect Peter Wan*
Non-Executive Director. Not considered to be independent as he is a former partner at PricewaterhouseCoopers, the Company's external auditors. The Company does not clarify when Peter Wan stopped working at PwC. In addition, there are concerns over his aggregate time commitments. There is insufficient independent representation on the Board. Opposition is recommended.

Vote Recommendation: *Oppose*

4. *Appoint the auditors*
It is proposed to re-appoint PricewaterhouseCoopers as auditors. The proportion of non-audit to audit fees for the year under review is 31.9% and 53.7% over three years. This raises significant concerns over the independence of the auditors. In addition, Peter Wan, the Chairman of the Audit Committee, is a former partner of PWC. It is possible that relationships initiated during this period may affect the approach taken to the audit. Abstention is recommended.

Vote Recommendation: *Abstain*

NATIONAL AUSTRALIA BK AGM - 18-12-2014

3. *Approve the Remuneration Report*
Check your LaTeX tags

Vote Recommendation: *Abstain*

4. *Approve the grant of performance rights to the Group Chief Executive Officer and Managing Director*
The Board is seeking shareholder approval for the purposes of ASX Listing Rule 10.14 for the grant of performance rights worth up to AUD$2,990,000 under the STI plan and the LTI plan to Mr Thorburn.
This includes an award of performance rights with a maximum value of AUD$130,000 represents 50% of his STI award for the year ended 30 September 2014 (deferred award). This part of the award is limited and do not raise concerns as the integration of a deferred element to the STI plan is welcomed.
The rest, which is worth AUD$2,860,000, will be granted under the LTI plan. This represents 172% of CEO's fixed remuneration. While this is below maximum acceptable award limits, the value of the award is considered potentially excessive when combined with future potential STI rewards. Also, it is unclear why the value of this award represents more than 130% of CEO's fixed remuneration, as disclosed in the Company's remuneration report (see resolution above). The awards vest in two tranches, each based on Company's relative TSR performance against two different peer groups over the four-years performance period. Targets are adequately disclosed. However, the use of only one performance metrics (relative TSR) is not considered appropriate. Best practice would be to use at least two separate metrics interdependently. The performance period is not considered sufficiently long-term, although it is longer than standard market practices (three years), and the use of a further testing after one year for unvested awards is not considered appropriate practice. Furthermore, LTIP based schemes are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the company (creating capital and - lawful - dividends). They are inherently acting as a complex and opaque hedge against absolute company underperformance and long-term share price falls. They are also a significant factor in reward for failure.
Based on the above concerns, an oppose vote is recommended.

Vote Recommendation: *Oppose*

ANZ-AUSTRALIA & NEW ZEALD BK AGM - 18-12-2014

2. *Approve the Remuneration Report*
Check your LaTeX tags

Vote Recommendation: *Oppose*

3. *Approve grant of Performance Rights to Mr Michael Smith*
The Board is seeking shareholder approval for the purposes of ASX Listing Rule 10.14 for the grant of performance rights worth $3,400,000 to the CEO, Mr Smith. This represents approximately 108% of his current salary, which is considered excessive when combined with his maximum potential bonus. The awards vest in two tranches, each based on Company's relative TSR performance against two different peer groups over a three-year performance period. Targets are adequately disclosed but it would be best practice that LTI Plans use at least two separate metrics interdependently. The three-year vesting period, without a further holding period, is not considered sufficiently long-term. Performance Rights granted under the ANZ Share Option Plan do not carry any dividend or voting rights until they vest and are exercised, which is welcomed.
Based on the above concerns, an oppose vote is recommended.

Vote Recommendation: *Oppose*

INCITEC PIVOT LTD AGM - 19-12-2014

4. *Approve the Grant of Incitec Pivot Performance Rights to the Managing Director*
The Board is seeking shareholder approval for the purposes of ASX Listing Rule 10.14 for the grant of up to 773,696 performance rights to Mr Fazzino under the Incitec Pivot Performance Rights Plan (the Long-Term Incentive Plan). Based on share price on 1 October 2014 (AUD2.90), this represents approximately 100% of his fixed remuneration. When combined with the maximum potential award under the STI plan (also 100% of Fixed remuneration), this is considered just acceptable. Awards are made as performance rights based on the achievement of certain performance measures: relative TSR and Strategic Initiatives Condition. Strategic Initiatives Condition has been introduced in replacement of the EPS element, which was previously used. This change is welcomed as an EPS metric is already used to assess performance under the STI plan and the introduction of non-financial strategic objectives is considered best practice. The targets attached are adequately disclosed. However, the performance conditions are not concurrent and the performance period is three years, without a further holding period, which is not considered sufficiently long-term. No clawback provisions are in place for this plan which is not best practice. Based on these concerns, an abstain vote is recommended.

Vote Recommendation: *Abstain*

5. *Approve the Remuneration Report*
Check your LaTeX tags

Vote Recommendation: *Abstain*

4 Appendix

The regions are categorised as follows:

ASIA	China; Hong Kong; Indonesia; India; South Korea; Malaysia; Philippines; Singapore; Thailand; Taiwan; Papua New Guinea
SANZA	Australia; New Zealand; South Africa
EUROPE/GLOBAL EU	Austria; Belgium; Switzerland; Czech Republic; Germany; Denmark; Spain; France; Hungary; Italy; Luxembourg; Netherlands; Poland; Portugal; Sweden: Norway; Greece; Finland; Ireland
JAPAN	Japan
USA/CANADA	USA; Canada; Bermuda
UK/BRIT OVERSEAS	UK; Cayman Islands; Gibraltar; Guernsey; Jersey
SOUTH AMERICA	Brazil; Mexico; Peru
REST OF WORLD	Israel; Kazakhstan; Russia; Turkey

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