Suffolk CC Pension Fund

PROXY VOTING REVIEW

PERIOD 1st October 2017 to 31st December 2017

Contents

1 Resolution Analysis

- Number of resolutions voted: 199 (note that it MAY include non-voting items).
- Number of resolutions supported by client: 143
- Number of resolutions opposed by client: 48
- Number of resolutions abstained by client: 6
- Number of resolutions Non-voting: 0
- Number of resolutions Withheld by client: 0
- Number of resolutions Not Supported by client: 0

1.1 Number of meetings voted by geographical location

Location	Number of Meetings Voted
UK & BRITISH OVERSEAS	11
EUROPE & GLOBAL EU	2
USA & CANADA	3
TOTAL	16

1.2 Number of Resolutions by Vote Categories

Vote Categories	Number of Resolutions
For	143
Abstain	6
Oppose	48
Non-Voting	0
Not Supported	0
Withhold	0
US Frequency Vote on Pay	2
Withdrawn	0
TOTAL	199

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	For	Abstain	Oppose	Non-Voting	Not Supported	Withhold	Withdrawn	US Frequency Vote on Pay	Total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	119	5	21	0	0	0	0	0	145
EUROPE & GLOBAL EU	3	0	0	0	0	0	0	0	3
USA & CANADA	21	1	27	0	0	0	0	2	51
TOTAL	143	6	48	0	0	0	0	2	199

1.4 Votes Made in the Portfolio Per Resolution Category

	Portfolio						
	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
All Employee Schemes	0	0	0	0	0	0	0
Annual Reports	11	4	4	0	0	0	0
Articles of Association	1	0	0	0	0	0	0
Auditors	12	0	4	0	0	0	0
Corporate Actions	0	0	0	0	0	0	0
Corporate Donations	2	0	1	0	0	0	0
Debt & Loans	0	0	0	0	0	0	0
Directors	81	0	24	0	0	0	0
Dividend	5	0	0	0	0	0	0
Executive Pay Schemes	0	0	8	0	0	0	0
Miscellaneous	8	0	0	0	0	0	0
NED Fees	0	0	1	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	4	0	0	0	0	0	0
Share Issue/Re-purchase	18	0	4	0	0	0	0
Shareholder Resolution	1	1	0	0	0	0	0

1.5 Votes Made in the UK Per Resolution Category

UK

	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
Annual Reports	7	0	0	0	0	0	0
Remuneration Reports	3	2	2	0	0	0	0
Remuneration Policy	1	2	2	0	0	0	0
Dividend	5	0	0	0	0	0	0
Directors	61	0	7	0	0	0	0
Approve Auditors	6	0	1	0	0	0	0
Share Issues	14	0	0	0	0	0	0
Share Repurchases	4	0	0	0	0	0	0
Executive Pay Schemes	0	0	3	0	0	0	0
All-Employee Schemes	0	0	0	0	0	0	0
Political Donations	2	0	1	0	0	0	0
Articles of Association	1	0	0	0	0	0	0
Mergers/Corporate Actions	0	0	0	0	0	0	0
Meeting Notification related	6	0	0	0	0	0	0
All Other Resolutions	9	0	5	0	0	0	0
Shareholder Resolution	0	1	0	0	0	0	0

1.6 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	0	0	0	0	0	0	0
Auditors	0	0	3	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	20	0	17	0	0	0	0
Dividend	0	0	0	0	0	0	0
Executive Pay Schemes	0	0	5	0	0	0	0
Miscellaneous	0	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	1	2	0	0	0	0
Share Capital Restructuring	0	0	0	0	0	0	0
Share Issue/Re-purchase	0	0	0	0	0	0	0

1.7 Shareholder Votes Made in the US Per Resolution Category

	US/Global US and Canada						
	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
Social Policy							
Political Spending/Lobbying	0	1	0	0	0	0	0

1.8 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	0	0	0	0	0
Annual Reports	0	0	0	0	0	0	0
Articles of Association	0	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	0	0	0	0	0	0	0
Dividend	0	0	0	0	0	0	0
Executive Pay Schemes	0	0	0	0	0	0	0
Miscellaneous	2	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	1	0	0	0	0	0	0
Share Issue/Re-purchase	0	0	0	0	0	0	0
Shareholder Resolution	0	0	0	0	0	0	0

1.9 Votes Made in the GL Per Resolution Category

Global

	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	0	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	0	0	0	0	0	0	0
Dividend	0	0	0	0	0	0	0
Executive Pay Schemes	0	0	0	0	0	0	0
Miscellaneous	0	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	0	0	0	0	0	0	0
Shareholder Resolution	0	0	0	0	0	0	0

1.10 Geographic Breakdown of Meetings All Supported

SZ

Meetings	All For	AGM	EGM
0	0	0	0

AS

Meetings	All For	AGM	EGM
0	0	0	0

UK

Meetings	All For	AGM	EGM
11	3	0	3

EU

Meetings	All For	AGM	EGM
2	0	0	0

SA

Meetings	All For	AGM	EGM
0	0	0	0

GL

Meetings	All For	AGM	EGM
0	0	0	0

JP

Meetings	All For	AGM	EGM
0	0	0	0

US

Meetings	All For	AGM	EGM
3	0	0	0

TOTAL

Meetings	All For	AGM	EGM
16	3	0	3

1.11 List of all meetings voted

Company	Meeting Date	Type	Resolutions	For	Abstain	Oppose
HARGREAVES LANSDOWN PLC	11-10-2017	AGM	20	17	1	2
SKY PLC	12-10-2017	AGM	20	13	0	7
PANTHEON INTERNATIONAL PLC	30-10-2017	CLASS	1	1	0	0
PANTHEON INTERNATIONAL PLC	30-10-2017	EGM	2	2	0	0
PANTHEON INTERNATIONAL PLC	30-10-2017	CLASS	1	1	0	0
AIB GROUP PLC	03-11-2017	COURT	1	1	0	0
AIB GROUP PLC	03-11-2017	EGM	2	2	0	0
KIER GROUP PLC	17-11-2017	AGM	22	19	1	2
DUNELM GROUP PLC	21-11-2017	AGM	24	21	0	3
PANTHEON INTERNATIONAL PLC	22-11-2017	AGM	15	12	0	3
FERGUSON PLC	28-11-2017	AGM	21	19	1	1
MICROSOFT CORPORATION	29-11-2017	AGM	19	14	0	4
MEDTRONIC PLC	08-12-2017	AGM	15	3	0	12
ASSOCIATED BRITISH FOODS PLC	08-12-2017	AGM	18	14	1	3
CISCO SYSTEMS INC.	11-12-2017	AGM	17	4	1	11
LONDON STOCK EXCHANGE GROUP PLC	19-12-2017	EGM	1	0	1	0

2 Notable Oppose Vote Results With Analysis

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

SKY PLC AGM - 12-10-2017

3. *Approve the Remuneration Report*
The changes in CEO pay over the last five years are not considered in line with the Company's TSR performance over the same period. The CEO's total realised variable pay in the year under review is considered highly excessive at 1454% of salary. This is particularly of concern given that the performance targets attached to both the LTIP and the Annual bonus paid during the year are not disclosed, contrary to standard practice (they are only disclosed after two years). It is noted that £11,796,000 was paid to the CEO just under the LTIP. In addition, the ratio of CEO to average employee pay has been estimated and is found unacceptable at 66:1.
Rating: BE.
Based on this rating it is recommended that Suffolk oppose.

Vote Cast: *Oppose* Results: For: 70.4, Abstain: 0.8, Oppose/Withhold: 28.8,

12. *To re-elect James Murdoch*
Chairman. Not considered independent upon appointment as he is the former Chief Executive Officer of the Company and he is part of the controlling family and is the son of Rupert Murdoch, the ultimate controlling shareholder through 21st Century Fox. It is considered that the Chairman should not be a former Executive and should not be connected a controlling shareholder in order to protect the rights of the minority shareholders. In addition, there are concerns over his appointment as an objective nomination process was not used. An oppose vote is therefore recommended.

Vote Cast: *Oppose* Results: For: 77.2, Abstain: 1.1, Oppose/Withhold: 21.7,

PANTHEON INTERNATIONAL PLC EGM - 30-10-2017

1. *Proposed Share Capital Reorganisation, Issue of an Asset Linked Note and Amendment to the Articles of Association*
It has been proposed to reorganise share capital of the Company, issue asset linked note to the investor, who is the largest holder of the Company's redeemable shares and to amend the articles.
Background: The Company plans to consolidate its ordinary and redeemable share capital into a single class of ordinary shares by converting all redeemable shares into ordinary shares of 67p each on a one-for-one basis. The Company is also issuing asset linked note to the investor, who is the largest holder of redeemable shares in the Company, in exchange for the redeemable shares. The balance of the investor's redeemable shares be converted into ordinary shares on the same basis as the other holders of redeemable shares. In order to equalise the par value of the ordinary shares and redeemable shares, a bonus issue of new, unlisted deferred shares of 66p each will be made to holders of redeemable shares on a one-for-one basis following the redemption of the relevant portion of the Investor's Redeemable Shares. The bonus Deferred Shares and existing Redeemable Shares will be consolidated to form new shares of 67p each, which will be designated as new ordinary shares of 67p each ranking pari passu with the ordinary shares already in issue.
Issue of ALN: The Company will redeem such number of the Investor's redeemable shares as have an aggregate net asset value of £200m as at its latest published NAV calculation date. In return, the Company will issue the ALN with an initial principal amount of £200m. The Investor will thus effectively exchange redeemable shares with an underlying NAV of £200m on a NAV-for-NAV basis for the ALN at the same initial value, with no impact on the Company's NAV per share. The ALN will

be unlisted and subordinated to the Company's existing revolving loan agreement (and any refinancing). The ALN will not be transferable, other than to an affiliate of the Investor.
Benefits of the proposal: The Board believes that the proposals will deliver significant advantages to the Company and its shareholders. The Board also argues that the future performance of the Company will be aligned more closely to younger fund vintages, and PIP will benefit from the increased secondary market liquidity and flexibility in capital management that flow from having a single class of issued share capital.
Amendments to the articles: Amendments to the Articles are intended to facilitate the actions contemplated by the Proposals (including, in particular, the Bonus Issue and the Consolidation and Redesignation). The amendments explain rights attached to the deferred shares (see below) in the updated articles.
Analysis: It is considered a key governance principle that all shareholders have equal rights. The consolidation of the share capital into one class of shares is therefore in line with best practice. A For Vote is recommended.

Vote Cast: *For* Results: For: 83.9, Abstain: 0.1, Oppose/Withhold: 15.9,

2. *Amend Articles*
It has been proposed to amend the articles of the Company in relation to the reorganisation of share capital (discussed in proposal 1). Accordingly, the articles will conditional on the implementation of the resolution 1, reflect the fact that, the Company will have only a single class of Ordinary Shares in issue, and to make certain technical changes to the provisions relating to the cut-off time for the receipt of shareholder proxies. Additionally, the articles will also include removal specifying the rights attaching to the Redeemable Shares and the Deferred Shares. In line with vote recommendation of resolution 1, support is recommended.

Vote Cast: *For* Results: For: 83.9, Abstain: 0.1, Oppose/Withhold: 16.0,

PANTHEON INTERNATIONAL PLC CLASS - 30-10-2017

1. *Proposed Share Capital Reorganisation, Issue of an Asset Linked Note and Amendment to the Articles of Association*
It has been proposed to reorganise share capital of the Company, issue asset linked note to the investor, who is the largest holder of the Company's redeemable shares and to amend the articles.
Background: The Company plans to consolidate its ordinary and redeemable share capital into a single class of ordinary shares by converting all redeemable shares into ordinary shares of 67p each on a one-for-one basis. The Company is also issuing asset linked note to the investor, who is the largest holder of redeemable shares in the Company, in exchange for the redeemable shares. The balance of the investor's redeemable shares be converted into ordinary shares on the same basis as the other holders of redeemable shares. In order to equalise the par value of the ordinary shares and redeemable shares, a bonus issue of new, unlisted deferred shares of 66p each will be made to holders of redeemable shares on a one-for-one basis following the redemption of the relevant portion of the Investor's Redeemable Shares. The bonus Deferred Shares and existing Redeemable Shares will be consolidated to form new shares of 67p each, which will be designated as new ordinary shares of 67p each ranking pari passu with the ordinary shares already in issue.
Issue of ALN: The Company will redeem such number of the Investor's redeemable shares as have an aggregate net asset value of £200m as at its latest published NAV calculation date. In return, the Company will issue the ALN with an initial principal amount of £200m. The Investor will thus effectively exchange redeemable shares with an underlying NAV of £200m on a NAV-for-NAV basis for the ALN at the same initial value, with no impact on the Company's NAV per share. The ALN will be unlisted and subordinated to the Company's existing revolving loan agreement (and any refinancing). The ALN will not be transferable, other than to an affiliate of the Investor.
Benefits of the proposal: The Board believes that the proposals will deliver significant advantages to the Company and its shareholders. The Board also argues that the future performance of the Company will be aligned more closely to younger fund vintages, and PIP will benefit from the increased secondary market liquidity and

flexibility in capital management that flow from having a single class of issued share capital.
Amendments to the articles: Amendments to the Articles are intended to facilitate the actions contemplated by the Proposals (including, in particular, the Bonus Issue and the Consolidation and Redesignation). The amendments explain rights attached to the deferred shares (see below) in the updated articles.
Analysis: It is considered a key governance principle that all shareholders have equal rights. The consolidation of the share capital into one class of shares is therefore in line with best practice. A For Vote is recommended.

Vote Cast: *For* Results: For: 86.2, Abstain: 0.1, Oppose/Withhold: 13.7,

KIER GROUP PLC AGM - 17-11-2017

3. *Approve the Remuneration Report*
Disclosure: All elements of each director's cash remuneration are disclosed. All share incentive awards are fully disclosed with award dates and prices.
Balance: The ratio of CEO to average employe pay has been estimated and is found inappropriate at 22:1. However, the balance of CEO total pay with financial performance is considered acceptable as the change in CEO total pay over five years is commensurate with the change in TSR over the same period. The CEO's variable pay is not considered excessive at less than 100% of salary.
Rating: AB
Based on this rating it is recommended that Suffolk vote in favour.

Vote Cast: *For* Results: For: 55.8, Abstain: 11.4, Oppose/Withhold: 32.8,

PANTHEON INTERNATIONAL PLC AGM - 22-11-2017

8. *To re-elect R.M. Swire*
Non-Executive Director. Not considered independent as he is the founder director both of the Company and of the Company's Manager. A director with significant links to the investment advisor cannot be supported on the Board. An oppose vote is therefore recommended.

Vote Cast: *Oppose* Results: For: 68.7, Abstain: 16.1, Oppose/Withhold: 15.1,

9. *To re-appoint the Auditors: Grant Thornton UK LLP*
Grant Thornton UK LLP proposed. Non-audit fees represented 55.81% of audit fees during the year under review and 41.20% on a three-year aggregate basis.
PIRC issue: This level of non-audit fees raises major concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor. Opposition is advised.

Vote Cast: *For* Results: For: 67.9, Abstain: 16.1, Oppose/Withhold: 16.0,

15. *Approve Increase in Non-executives Fees*
It is proposed that shareholders approve that the maximum aggregate annual remuneration payable to Directors under article 79(1) of the Articles of Association of the Company is increased from £300,000 to £350,000. The Board only states that this increase will give the flexibility to make further appointments to the Board as

and when necessary. It is considered that the available headroom should be sufficient to provide this flexibility. Also, the proposed cap increase of 16% is deemed excessive. An oppose vote is recommended.

Vote Cast: *Oppose* Results: For: 79.2, Abstain: 0.1, Oppose/Withhold: 20.7,

ASSOCIATED BRITISH FOODS PLC AGM - 08-12-2017

16. *Issue Shares with Pre-emption Rights*

The authority is limited to one third of the Company's issued share capital. This cap can increase to two-third of the issued share capital if shares are issued in connection with an offer by way of a rights issue. All directors are standing for annual re-election. This resolution is in line with normal market practice and expires at the next AGM. Support is recommended.

Vote Cast: *For* Results: For: 87.6, Abstain: 0.0, Oppose/Withhold: 12.3,

CISCO SYSTEMS INC. AGM - 11-12-2017

7. *Shareholder Resolution: Report on Lobbying Payments and Policy*

Proposed by: The Unitarian Universalist Association and two undisclosed filers

The Proponent requests that the Board prepare a report disclosing (i) Company policy and procedures governing lobbying, (ii) Payments by the Company used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, (iii) The Company's membership in and payments to any tax-exempt organisation that writes and endorses model legislation, and (iv) A description of management's decision making process and the Board's oversight for making such payments.

Proponent's Supporting Argument: The Proponent argues that the Company lists its membership in the Chamber of Commerce, which has spent over USD 1.3 billion on lobbying since 1998. But it fails to comprehensively disclose all of its major trade association memberships, such as its membership in the Business Roundtable, which spent USD 34.95 million on lobbying in 2015 and 2016. Nor does the Company disclose its payments to trade associations or the amounts used for lobbying. Absent a system of accountability, company assets could be used for objectives contrary to Cisco's long-term interests.

Board's Opposing Argument: The Board is against this proposal as it believes the proposal to be unnecessary and not be in the best interests of the Company or its shareholders. The Board argues that the disclosure Cisco already provides on its own website regarding its public policy engagement approach, Cisco's compliance with existing disclosure laws and regulations relating to lobbying, and the voluntary restraints Cisco has long imposed on itself regarding the scope of its public policy-related activities provide a significant level of transparency and accountability to Cisco's shareholders.

PIRC Analysis: It is considered that the transparency and completeness of the Company's reporting on political donations could be improved. Political donations can arouse controversy and it is important that companies protect their reputation by open reporting. It is to the benefit of the Company and its shareholders to be transparent about political donations and so avoid any suspicion (and the damage that may cause to the Company's reputation) that the Company may be using shareholders' funds in an inappropriate way to gain undue influence. The request for a report is considered reasonable and support is recommended.

Vote Cast: *For* Results: For: 34.0, Abstain: 1.4, Oppose/Withhold: 64.6,

LONDON STOCK EXCHANGE GROUP PLC EGM - 19-12-2017

1. *Shareholder Resolution: That Donald Brydon be and is hereby removed from office as a director of the Company with immediate effect.*
This shareholder resolution has been but forward by The Children's Investment Master Fund (TCI), a significant shareholder of the Company with over 5% of the issued share capital.
Background for the proposal: TCI initially requested two resolutions on 9 November 2017, one to remove the Chairman, Donald Brydon, and another to maintain Xavier Rolet as the CEO until 2021. This is in light of the announcement on 19 October 2017 that the Company was initiating a transition process to find a successor to the Company's CEO, Xavier Rolet, who would leave by the end of December 2018. On 29 November 2017, the Company announced that at the Board's request, Xavier Rolet had agreed to step down as CEO with immediate effect. Xavier Rolet also confirmed that he would not be returning to the office of CEO or director under any circumstances. Subsequently, the Company's CFO, David Warren, has been appointed as interim CEO and Donald Brydon agreed to step down as Chairman of the Company at the AGM in 2019, after the recruitment of a new CEO.
In light of Xavier Rolet stepping down with immediate effect and confirming that he would not return to office as CEO or director, and Donald Brydon agreeing not to stand for re-election at the 2019 annual general meeting, the Company has asked TCI to withdraw the Requisition. TCI has withdrawn the second resolution (relating to the extension of Xavier Rolet's tenure in office as CEO) but not the first resolution. TCI's rationale behind this proposal and the Board's rationale for not supporting this resolution are disclosed in the supporting information below.
Voting Recommendation: There are a number of concerns about the Board's behaviours. We note the fulsome praise the then CEO received as a result of the board evaluation and Remuneration Committee's outcomes as expressed in the 2015/16 Annual Report and the subsequent Board recommendations to the 2016 Annual Meeting. We have therefore been surprised with subsequent outcomes. Given the CEO's departure we would expect that the CEO's contract and conditions of notice would be honoured in the detail including the basis of any payments for loss of office. As it turns out this has not been the case. In addition we cannot understand why as part of his severance package, the CEO has had an extension of 30 months' to his notice period. In PIRC's view the Board's mismanagement of the CEO succession strategy, constitutes a major failure of Board leadership, undermining effective governance standards and reflects badly on the role of the chairman. We are also disappointed to see the euphemistic phrase about the CEO's 'operating style [was] also [an] important factor taken into account' in his departure, as stated by the Board. Following the company's 19th October announcement, we were disappointed to note the Board's description of the CEO's lack of certainty about continuing in office reflected by 'pressure' on the CEO's relationship with certain members of the senior management team. We sense that important information has not been provided to shareholders on these matters. In short, we believe that the governance crisis that has impacted the board over recent months has various origins, and in our view not all of these can be laid at the door of the out-going CEO.
Under Xavier Rolet's tenure as Chief Executive Officer, there is evidence that the Company achieved a strong performance. This sudden departure requires further transparency and information. The lack of disclosure is troubling and demonstrates substandard Corporate Governance. Such actions require justification in order for Shareholders to understand and review decisions taken regarding the Company's future. Donald Brydon has therefore failed to maintain good governance standards. Further to this, concerns had already been expressed at the 2017 AGM about Donald Brydon, due to his chairmanship of another FTSE 350 company. In light of the concerns mentioned above, it is therefore recommended to abstain on the proposal to remove Mr Brydon from office.

Vote Cast: *Abstain* Results: For: 20.3, Abstain: 3.2, Oppose/Withhold: 76.5,

3 Oppose/Abstain Votes With Analysis

HARGREAVES LANSDOWN PLC AGM - 11-10-2017

3. *Approve the Remuneration Report*
Elements of the Single Total Figure Remuneration Table are not adequately disclosed as no explanation behind the gain on historic options vesting is given. There is no justification for payment of £220,000 (CEO) and £344,000 (CFO) classified as gain on historic options vesting especially considering that the CEO met no targets for his LTIP performance conditions. On the other hand, performance targets achieved by the CFO are not disclosed. Emoluments paid to the CEO for the period of the year after he had stepped down from the Board was £219,907, no adequate detail has been provided for this payment and whether or not this is the same award disclosed as historic options in the single figure table. In addition it is noted that the increase in CEO salary (18%) is in not line with the rest of the Company (8%). The CEO's variable pay, which represents 235.6% of his salary, is not considered acceptable.
Rating: DC
Based on this rating it is recommended that Suffolk

Vote Cast: *Oppose* Results: For: 96.6, Abstain: 0.0, Oppose/Withhold: 3.4,

4. *Approve Remuneration Policy*
The proposed changes to the new policy have been disclosed (see supporting information below). Most changes are considered positive, in particular the removal of the Long-Term Incentive Plan (LTIP) which is replaced by the new Sustained Performance Plan (SPP), and the overall reduction in maximum variable pay for Executive directors.
Under the new SPP, the award opportunity will reduce by five compared to the previous LTIP, which is welcomed. Also, the awards will vest over a five year performance period, which is considered sufficiently long term. The Company is using more than one performance condition and the awards are also linked to non-financial KPIs, which is commendable. The Company also states that awards are subject to underpinning performance conditions. The Plan is subject to malus provisions, however, clawback policy does not apply. Dividend alternatives will accrue on unvested awards and will be paid at the time of vesting, which is considered inappropriate.
Concerns also remain in relation to the maximum variable potential award for Executive Directors which is still capped at 400% of salary despite decreases in both annual bonus opportunity and long-term incentive opportunity. This cap is still considered excessive. Upon termination, the discretion given to the committee to dis-apply pro-rating on outstanding share awards is of concern.
Rating: BCC
Based on this rating it is recommended that Suffolk abstain.

Vote Cast: *Abstain* Results: For: 98.3, Abstain: 0.4, Oppose/Withhold: 1.3,

20. *Approve New Sustained Performance Plan*
It has been proposed to approve the new Sustained Performance Plan (SSP) to replace the existing Long Term Incentive Plan. Under the new SPP, the award opportunity will reduce by five (at 50% of salary) compared to the previous LTIP, which is an improvement. However, maximum potential opportunity under all incentives will still remain excessive at 400% of salary. Also, the awards will vest over a five year performance period, which is considered sufficiently long term. The Company is using more than one performance condition and the awards are also linked to non-financial KPIs, which is commendable. However, there are concerns regarding the discretion given to the committee to dis-apply pro-rating on outstanding share awards on termination.

Vote Cast: *Oppose* Results: For: 99.0, Abstain: 0.4, Oppose/Withhold: 0.6,

SKY PLC AGM - 12-10-2017

2. *Approve Remuneration Policy*
The Remuneration Committee paused its ongoing review of the Remuneration Policy following the announcement of the Offer from 21st Century Fox in December 2016, is presenting its current remuneration policy for approval this year.
The Company operates three different incentive schemes which adds unnecessary complexity to the remuneration structure: Annual Bonus, Long-Term Incentive Plan (LTIP) and Co- Investment Plan (CIP). There is no financial cap on total variable pay for executives as percentage of salary which is a major concern. Based on the disclosure on the three existing incentive plans, it is clear that the maximum variable pay under can significantly exceed 200% of salary. The LTIP limit is set out as 900,000 shares, which represent £8,203,500 based on the Company's share price on 27 September 2017 or is equivalent to 789% of the current CEO's salary. Also, no share schemes are available to enable all employees to benefit from business success without subscription. The use of a matching share plan (the CIP) is not supported as it can lead to excessive payouts, and can reward directors twice for the same performance. Awards under the LTIP and CIP vest subject to performance conditions which do not run interdependently. Also, performance measures are not linked to non-financial KPIs. Vesting of LTIP awards is based on performance over a three-year period, which is not considered sufficiently long term.
In terms of contracts, upside discretion can be used by the committee to disapply pro-rata vesting of LTIP awards in the event of a termination of employment which is not acceptable. This is even more a concern in light of the potential takeover of the Company by 21st Century Fox. Also, the payments in lieu of notice appear to automatically include payment of a pro-rated bonus for period served, which is not best practice.
Rating: BDD.
Based on this rating it is recommended that Suffolk oppose.

Vote Cast: *Oppose* Results: For: 93.0, Abstain: 0.8, Oppose/Withhold: 6.2,

3. *Approve the Remuneration Report*
The changes in CEO pay over the last five years are not considered in line with the Company's TSR performance over the same period. The CEO's total realised variable pay in the year under review is considered highly excessive at 1454% of salary. This is particularly of concern given that the performance targets attached to both the LTIP and the Annual bonus paid during the year are not disclosed, contrary to standard practice (they are only disclosed after two years). It is noted that £11,796,000 was paid to the CEO just under the LTIP. In addition, the ratio of CEO to average employee pay has been estimated and is found unacceptable at 66:1.
Rating: BE.
Based on this rating it is recommended that Suffolk oppose.

Vote Cast: *Oppose* Results: For: 70.4, Abstain: 0.8, Oppose/Withhold: 28.8,

7. *To re-elect Martin Gilbert*
Independent Non-Executive Vice-Chairman. Due to his membership of the Nomination Committee at the time of the flawed process that led to Mr. Murdoch being appointed Chairman (January 2016), an oppose vote is recommended.

Vote Cast: *Oppose* Results: For: 85.6, Abstain: 8.4, Oppose/Withhold: 6.0,

12. *To re-elect James Murdoch*
Chairman. Not considered independent upon appointment as he is the former Chief Executive Officer of the Company and he is part of the controlling family and is the son of Rupert Murdoch, the ultimate controlling shareholder through 21st Century Fox. It is considered that the Chairman should not be a former Executive and should not be connected a controlling shareholder in order to protect the rights of the minority shareholders. In addition, there are concerns over his appointment as an objective nomination process was not used. An oppose vote is therefore recommended.

Vote Cast: *Oppose* Results: For: 77.2, Abstain: 1.1, Oppose/Withhold: 21.7,

15. *To re-appoint the Auditors: Deloitte LLP*
Deloitte proposed. Non-audit fees represented 94.44% of audit fees during the year under review and 301.14% on a three-year aggregate basis. This level of non-audit fees raises major concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Oppose* Results: For: 95.4, Abstain: 0.8, Oppose/Withhold: 3.8,

16. *Approve Political Donations*
Proposal to make political donations to political parties and/or independent election candidates, political organisations other than political parties, and to incur political expenditure. The authority is limited to £300,000 and terminates at the next AGM or within 15 months. Whilst the Company has no intention of making political donations, the amount proposed is considered excessive. An oppose vote is recommended.

Vote Cast: *Oppose* Results: For: 98.4, Abstain: 1.1, Oppose/Withhold: 0.5,

19. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*
The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transactions if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose* Results: For: 98.6, Abstain: 0.9, Oppose/Withhold: 0.5,

KIER GROUP PLC AGM - 17-11-2017

2. *Approve Remuneration Policy*
Disclosure: The Company provides good disclosure.
Balance: For the Annual Bonus, one-third of any net payment is deferred into shares. Although the deferral is welcomed, best practice would be to defer at least 50%. It is also noted that the Committee has discretion to adjust bonus payments to ensure that they accurately reflect business performance over the performance period. The Company operates one Long Term Incentive Plan (LTIP), under which awards vest subject to performance conditions that do not operate interdependently. This runs against best practice. Also, guidelines recommend non-financial metric(s) to be used. The three-year performance period is not considered sufficiently long term. However, the introduction of a two-year holding period is welcome. The CEO potential variable pay under all incentive schemes is considered excessive as it can

amount to 325% of base salary.
Contracts: Upside discretion may be used while determining severance. Awards may continue to vest for Directors who have left office. A bonus may be payable (to a Good Leaver) relating to year of cessation of employment which may be at the sole discretion of the Remuneration Committee. Awards vest early in the case of a takeover, although subject to time pro-rata and the level of performance conditions achieved during that period.
Rating: ACC
Based on this rating it is recommended that Suffolk abstain.

Vote Cast: *Abstain* Results: For: 78.8, Abstain: 12.8, Oppose/Withhold: 8.5,

20. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*
The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transactions if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose* Results: For: 95.2, Abstain: 0.1, Oppose/Withhold: 4.7,

21. *Amend Existing Long Term Incentive Plan*
It is proposed to approve the amendments to the existing Long Term Incentive Plan (LTIP), to permit the introduction of the accrual of dividend equivalents on awards granted under the LTIP.
The payment of dividend equivalents is not supported as the dividends are paid in relation to the performance period of the LTIP; during which shares are not owned by the directors. Such payments do not align shareholder and executive interests as shareholders must subscribe for shares in order to receive dividends whereas participants in the scheme do not. An oppose vote is recommended.

Vote Cast: *Oppose* Results: For: 98.1, Abstain: 0.2, Oppose/Withhold: 1.6,

DUNELM GROUP PLC AGM - 21-11-2017

15. *Approve Remuneration Policy*
Overall disclosure is adequate. Maximum pension contributions are not excessive. However, total potential variable pay is excessive at 325% of salary. Performance conditions for the annual bonus are not interdependent. With respect to the LTIP, the maximum opportunity is 200% of salary which, when combined with the potential payout under the annual bonus, can lead to excessive variable pay. The performance period is not considered to be sufficiently long-term, though a two year holding period applies, which is welcomed. LTIP awards are determined by only one financial KPI, which is not acceptable.
The recruitment policy raises concerns. The policy includes an exceptional additional limit for recruitment purposes which is considered inappropriate and can lead to excessive recruitment awards and the Committee can offer a notice period up to a maximum of 24 months.
Rating: ADA.
Based on this rating it is recommended that Suffolk oppose.

Vote Cast: *Oppose* Results: For: 99.3, Abstain: 0.1, Oppose/Withhold: 0.6,

21. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*
The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such a proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transactions if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose* Results: For: 96.4, Abstain: 0.1, Oppose/Withhold: 3.5,

23. *Amend Existing Long Term Incentive Plan*
The proposed changes to the Company's Long Term Incentive Plan are the following: awards will be granted with a value equivalent to a percentage of salary rather than being determined as a fixed number of shares, with a maximum potential of 200% of salary; ability to pay dividend equivalents in respect of special dividends that are paid between the start of the performance period and up to the vesting date of an LTIP award.
While the introduction of a cap as a percentage of salary is welcomed, the proposed limit is considered excessive and can lead to excessive pay-outs. Also, the payment of dividend equivalents on vested shares for the performance period is not supported, as directors are receiving dividend payments on shares not directly held. An oppose vote is recommended.
PIRC issue: Moreover, PIRC does not consider that LTIPs are an effective means of incentivising performance. These schemes are not considered to be properly long term and are subject to manipulation due to their discretionary nature.

Vote Cast: *Oppose* Results: For: 99.2, Abstain: 0.1, Oppose/Withhold: 0.7,

PANTHEON INTERNATIONAL PLC AGM - 22-11-2017

5. *To re-elect I.C.S. Barby*
Non-Executive Director. Not considered independent as he has been on the Board for over nine years. However, there is sufficient independent representation on the Board.
He is a non-independent member of the Audit Committee which does not meet Suffolk guidelines.

Vote Cast: *Oppose* Results: For: 79.0, Abstain: 16.1, Oppose/Withhold: 4.9,

8. *To re-elect R.M. Swire*
Non-Executive Director. Not considered independent as he is the founder director both of the Company and of the Company's Manager. A director with significant links to the investment advisor cannot be supported on the Board. An oppose vote is therefore recommended.

Vote Cast: *Oppose* Results: For: 68.7, Abstain: 16.1, Oppose/Withhold: 15.1,

15. *Approve Increase in Non-executives Fees*
It is proposed that shareholders approve that the maximum aggregate annual remuneration payable to Directors under article 79(1) of the Articles of Association of the Company is increased from £300,000 to £350,000. The Board only states that this increase will give the flexibility to make further appointments to the Board as

and when necessary. It is considered that the available headroom should be sufficient to provide this flexibility. Also, the proposed cap increase of 16% is deemed excessive. An oppose vote is recommended.

Vote Cast: *Oppose* Results: For: 79.2, Abstain: 0.1, Oppose/Withhold: 20.7,

FERGUSON PLC AGM - 28-11-2017

2. *Approve the Remuneration Report*

Overall disclosure is satisfactory. The increase in the CEO's salary is in line with the rest of the Company and the changes in CEO total pay over the last five years are considered in line with Company's TSR performance over the same period. The Remuneration Committee used discretion appropriately when determining awards for the departing CEO. However, total variable pay was excessive, amounting to 279.8% of salary for the CEO. The ratio of CEO pay compared to average employee pay is not acceptable, standing at 32:1. Furthermore, the CEO's salary is in the upper quartile of the Company's comparator group.
Rating: BC.
Based on this rating it is recommended that Suffolk abstain.

Vote Cast: *Abstain* Results: For: 97.3, Abstain: 1.3, Oppose/Withhold: 1.4,

20. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such a proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transactions if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose* Results: For: 95.4, Abstain: 0.0, Oppose/Withhold: 4.5,

MICROSOFT CORPORATION AGM - 29-11-2017

2. *Advisory Vote on Executive Compensation*

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: DCB. Based on this rating, it is recommended that shareholders oppose.

Vote Cast: *Oppose* Results: For: 94.8, Abstain: 0.8, Oppose/Withhold: 4.4,

4. *Appoint the Auditors*

Deloitte proposed. Non-audit fees represented 1.53% of audit fees during the year under review and 2.13% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Oppose* Results: For: 98.1, Abstain: 0.1, Oppose/Withhold: 1.8,

5. *Approve the performance goals under the amended and restated Microsoft Corporation Executive Incentive Plan*
It is proposed to approve the material terms of the performance goals that may apply to awards under the Microsoft Corporation Executive Incentive Plan as amended and restated. It is considered that, as performance conditions may be attached to awards at the Compensation Committee's discretion, there are concerns that awards under the Plan will not necessarily be subject to sufficiently robust performance targets. As a result, shareholders cannot assess whether the Plan will operate to align participants' incentives with shareholders' interests. In addition, maximum award limits are considered excessive. Accordingly, shareholders are recommend to oppose the resolution.

Vote Cast: *Oppose* Results: For: 98.6, Abstain: 0.2, Oppose/Withhold: 1.2,

6. *Approve New Long Term Incentive Plan*
Authority is sought to approve the Microsoft Corporation 2017 Stock Plan. The 2017 Stock Plan provides for grants of equity-based awards to employees. The estimated aggregate number of shares of Company common stock available for grant under the 2017 Stock Plan, calculated as of the record date, is 390,520,963. The Compensation Committee, in its discretion, will select the individuals to whom share awards, options, and stock appreciation rights will be granted, which is a concern. LTIPs are not considered an effective means of incentivising performance. These schemes are not considered to be properly long term and are subject to manipulation due to their discretionary nature. Shareholders are advised to oppose.

Vote Cast: *Oppose* Results: For: 96.5, Abstain: 0.4, Oppose/Withhold: 3.2,

ASSOCIATED BRITISH FOODS PLC AGM - 08-12-2017

2. *Approve the Remuneration Report*
Overall disclosure is adequate. The increase in the CEO's salary is in line with the rest of the Company, and the changes in CEO pay over the last five years are considered in line with Company's TSR performance over the same period. However, total variable pay during the year under review was excessive, amounting to 305.55% of salary. Furthermore, the ratio of CEO pay compared to average employee pay is not acceptable, standing at 201:1, over ten times higher than the recommended limit of 20:1.
Rating: AC.
Based on this rating it is recommended that Suffolk abstain.

Vote Cast: *Abstain* Results: For: 96.7, Abstain: 0.3, Oppose/Withhold: 3.1,

4. *Re-elect Emma Adamo*
Non-Executive Director. Not considered to be independent as she is a representative of Wittington Investments Limited, which holds 59.16% of the Company's voting rights. There is insufficient independent representation on the Board. An oppose vote is recommended.

Vote Cast: *Oppose* Results: For: 98.8, Abstain: 0.0, Oppose/Withhold: 1.2,

7. *Re-elect Javier Ferrán*
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. An oppose vote is recommended.

Vote Cast: *Oppose* Results: For: 91.6, Abstain: 0.7, Oppose/Withhold: 7.7,

10. *Re-elect Richard Reid*
Non-Executive Director. Not considered independent as he served as a Partner and Chairman of KPMG LLP from 1980 until September 2015, the Company's auditors at the time. There is insufficient independence representation on the Board.
He is a non-independent member of the Audit and Remuneration Committees which does not meet Suffolk guidelines.

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

MEDTRONIC PLC AGM - 08-12-2017

1a. *Re-elect Richard H. Anderson*
Lead Independent Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose* Results: For: 96.3, Abstain: 0.3, Oppose/Withhold: 3.4,

1b. *Re-elect Craig Arnold*
Non-Executive Director. Not considered independent owing to an aggregate tenure of over nine years as he served on the board of Covidien Plc from 2007 until its merger with the Company in January 2015. There is insufficient independent representation on the Board.

Vote Cast: *Oppose* Results: For: 97.6, Abstain: 0.1, Oppose/Withhold: 2.3,

1d. *Re-elect Randall Hogan III*
Non-Executive Director. Not considered independent owing to an aggregate tenure of over nine years as he served on the board of Covidien Plc from 2007 until its merger with the Company in 2015. There is insufficient independent representation on the Board.

Vote Cast: *Oppose* Results: For: 98.3, Abstain: 0.1, Oppose/Withhold: 1.6,

1e. *Re-elect Omar Ishrak*
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 Cast: *Oppose* Results: For: 96.4, Abstain: 0.2, Oppose/Withhold: 3.4,

1f. *Re-elect Shirley Ann Jackson*
Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose* Results: For: 97.7, Abstain: 0.1, Oppose/Withhold: 2.2,

1h. *Re-elect James T. Lenehan*
Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

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

1j. *Re-elect Denise M. O'Leary*
Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose* Results: For: 98.5, Abstain: 0.1, Oppose/Withhold: 1.4,

1k. *Re-elect Kendall J. Powell*
Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose* Results: For: 92.1, Abstain: 0.1, Oppose/Withhold: 7.8,

1l. *Re-elect Robert C. Pozen*
Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose* Results: For: 98.6, Abstain: 0.2, Oppose/Withhold: 1.2,

2. *Appoint the Auditors*
PwC proposed. Non-audit fees represented 13.48% of audit fees during the year under review and 18.79% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. However, the current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Oppose* Results: For: 98.1, Abstain: 0.2, Oppose/Withhold: 1.7,

3. *Advisory Vote on Executive Compensation*
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: BDC. Based on this rating, it is recommended that shareholders oppose.

Vote Cast: *Oppose* Results: For: 93.4, Abstain: 0.7, Oppose/Withhold: 5.9,

4. *Amend 2013 Stock Award and Incentive Plan*
Shareholders are being asked to approve the Medtronic Plc Amended and Restated 2013 Stock Award and Incentive Plan. It is intended to increase the authorised number of shares by Fifty Million (50,000,000), bringing the total number of shares available for future grants under the 2013 Plan as of April 28 2017 to 71,0333,122 and the total number of shares reserved for grant since the adoption of the 2013 plan to 122,121,596. In additon, there are a number of additional updates to reflect changes in law, accounting rules and current practices (see ‘supporting information’ below).
The 2013 Plan provides that the Company and its subsidiaries may grant equity-based awards based on or consisting of ordinary shares, par value $0.0001 per share of the Company. The 2013 Plan provides for the issuance of options, share appreciation rights, restricted stock, restricted stock units, other share-based awards and performance awards granted under the 2013 Plan to selected directors, officers, employees and consultants. The maximum number of Shares of common stock that may be issued pursuant to awards granted under the 2013 Plan is 50,000,000, plus any shares which are available for grant as of December 8, 2017 under the 2013 Plan, plus any shares relating to the 2013 Plan or Predecessor Plans that become available for grants following December 8, 2017 under the 2013 Plan as described below. The maximum number of shares that may be issued pursuant to incentive stock options granted following the effective date under the plan is 50,000,000.
Recommendations: The Plan is presented as an omnibus plan, which means that bundled within the same official plan there are various incentive plan elements aimed at rewarding different groups of employees, officers and executives. There are concerns with the Plan as it has various elements bundled together, and although parts of it can benefit the majority of employees, it can still be used as a vehicle for potentially excessive executive payments. As performance conditions may be attached to awards at the Compensation Committee’s discretion, there are concerns that the Committee will have considerable flexibility in the payout of discretionary awards and as a result awards may not be subject to robust enough performance targets, and be insufficiently challenging. In addition, maximum award limits are excessive. As a result, shareholders are advised to oppose.

Vote Cast: *Oppose* Results: For: 94.2, Abstain: 0.4, Oppose/Withhold: 5.4,

CISCO SYSTEMS INC. AGM - 11-12-2017

1a. *Re-elect Carol A. Bartz*
Non-Executive Lead Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose* Results: For: 93.6, Abstain: 0.3, Oppose/Withhold: 6.1,

1b. *Re-elect M. Michele Burns*
Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board. It is noted that 13.5% opposed her re-election last year.

Vote Cast: *Oppose* Results: For: 93.9, Abstain: 0.1, Oppose/Withhold: 6.0,

1c. *Re-elect Michael D. Capellas*
Non-Executive Director. Not considered independent owing to a tenure of over nine years. In addition, until 2011 he served as CEO of VCE Company, which is a joint venture formed by EMC and the Company. There is insufficient independent representation on the Board.

Vote Cast: *Oppose* Results: For: 96.9, Abstain: 0.1, Oppose/Withhold: 3.0,

1e. *Re-elect Dr. John L. Hennessy*
Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board. It is noted that 13.4% opposed his re-election last year.

Vote Cast: *Oppose* Results: For: 96.4, Abstain: 0.1, Oppose/Withhold: 3.4,

1g. *Re-elect Roderick C. McGeary*
Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose* Results: For: 96.1, Abstain: 0.1, Oppose/Withhold: 3.8,

1h. *Re-elect Charles H. Robbins*
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 Cast: *Oppose* Results: For: 93.7, Abstain: 0.4, Oppose/Withhold: 5.9,

1i. *Re-elect Arun Sarin*
Non-Executive Director. Not considered independent owing to an aggregate tenure of over nine years as before being re-appointed to the Board in 2009, he served on the Board from September 1998 to July 2003. There is insufficient independent representation on the Board.

Vote Cast: *Oppose* Results: For: 99.1, Abstain: 0.1, Oppose/Withhold: 0.8,

1k. *Re-elect Steven M. West*
Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose* Results: For: 94.5, Abstain: 0.1, Oppose/Withhold: 5.4,

2. *Amend 2005 Stock Incentive Plan*
It is proposed to approve the Amendment and Restatement of the 2005 Stock Incentive Plan. The Amended Stock Plan permits the granting of stock options, stock grants, stock units and SARs by the Plan Administrator. The Compensation Committee has been designated as the Plan Administrator. The Board of Directors may, however, at any time terminate the functions of the Compensation Committee and reassume all powers and authority previously delegated to the Compensation Committee. The maximum value of stock awards granted during a single fiscal year under the Plan will not exceed USD 800,000.
There are concerns with the Plan as the it has various elements bundled together, and although parts of it can benefit the majority of employees, it can still be used as a vehicle for potentially excessive executive payments. As performance conditions may be attached to awards at the Compensation Committee's discretion, there are concerns that the Committee will have considerable flexibility in the payout of discretionary awards and as a result awards may not be subject to robust enough performance targets, and be insufficiently challenging. In addition, maximum award limits are excessive. As a result, shareholders are advised to oppose.

Vote Cast: *Oppose* Results: For: 95.0, Abstain: 0.3, Oppose/Withhold: 4.7,

3. *Amend Executive Incentive Plan*

Authority is sought to approve the Cisco Systems, Inc. Executive Incentive Plan as amended and restated. The maximum amount of any awards that can be paid under the Amended EIP to any participant during any fiscal year (instead of performance period) is USD 10,000,000. Individuals eligible to participate in the Amended EIP awards are executive officers and key employees of Cisco, in each case, as determined by the Compensation Committee. The payment to each participant is based on an individual bonus target for the performance period set by the Compensation Committee.

It is considered that, as performance conditions may be attached to awards at the Compensation Committee's discretion, there are concerns that awards under the Plan will not necessarily be subject to sufficiently robust performance targets (if any). As a result, shareholders cannot assess whether the Plan will operate to align participants' incentives with shareholders' interests. In addition, maximum award limits are considered excessive. Accordingly, shareholders are recommend to oppose the resolution.

Vote Cast: *Oppose* Results: For: 97.9, Abstain: 0.5, Oppose/Withhold: 1.7,

4. *Advisory Vote on Executive Compensation*

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: CCC. Based on this rating, it is recommended that shareholders abstain.

Vote Cast: *Abstain* Results: For: 94.0, Abstain: 0.6, Oppose/Withhold: 5.5,

6. *Appoint the Auditors*

PwC proposed. Non-audit fees represented 0.29% of audit fees during the year under review and 0.44% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Oppose* Results: For: 96.4, Abstain: 0.2, Oppose/Withhold: 3.5,

LONDON STOCK EXCHANGE GROUP PLC EGM - 19-12-2017

1. *Shareholder Resolution: That Donald Brydon be and is hereby removed from office as a director of the Company with immediate effect.*

This shareholder resolution has been but forward by The Children's Investment Master Fund (TCI), a significant shareholder of the Company with over 5% of the issued share capital.

Background for the proposal: TCI initially requested two resolutions on 9 November 2017, one to remove the Chairman, Donald Brydon, and another to maintain Xavier Rolet as the CEO until 2021. This is in light of the announcement on 19 October 2017 that the Company was initiating a transition process to find a successor to the Company's CEO, Xavier Rolet, who would leave by the end of December 2018. On 29 November 2017, the Company announced that at the Board's request, Xavier Rolet had agreed to step down as CEO with immediate effect. Xavier Rolet also confirmed that he would not be returning to the office of CEO or director under any circumstances. Subsequently, the Company's CFO, David Warren, has been appointed as interim CEO and Donald Brydon agreed to step down as Chairman of the Company at the AGM in 2019, after the recruitment of a new CEO.

In light of Xavier Rolet stepping down with immediate effect and confirming that he would not return to office as CEO or director, and Donald Brydon agreeing not to stand for re-election at the 2019 annual general meeting, the Company has asked TCI to withdraw the Requisition. TCI has withdrawn the second resolution (relating to the extension of Xavier Rolet's tenure in office as CEO) but not the first resolution. TCI's rationale behind this proposal and the Board's rationale for not supporting this resolution are disclosed in the supporting information below.

Voting Recommendation: There are a number of concerns about the Board's behaviours. We note the fulsome praise the then CEO received as a result of the board evaluation and Remuneration Committee's outcomes as expressed in the 2015/16 Annual Report and the subsequent Board recommendations to the 2016 Annual Meeting. We have therefore been surprised with subsequent outcomes. Given the CEO's departure we would expect that the CEO's contract and conditions of notice would be honoured in the detail including the basis of any payments for loss of office. As it turns out this has not been the case. In addition we cannot understand why as part of his severance package, the CEO has had an extension of 30 months' to his notice period. In PIRC's view the Board's mismanagement of the CEO succession strategy, constitutes a major failure of Board leadership, undermining effective governance standards and reflects badly on the role of the chairman. We are also disappointed to see the euphemistic phrase about the CEO's 'operating style [was] also [an] important factor taken into account' in his departure, as stated by the Board. Following the company's 19th October announcement, we were disappointed to note the Board's description of the CEO's lack of certainty about continuing in office reflected by 'pressure' on the CEO's relationship with certain members of the senior management team. We sense that important information has not been provided to shareholders on these matters. In short, we believe that the governance crisis that has impacted the board over recent months has various origins, and in our view not all of these can be laid at the door of the out-going CEO.

Under Xavier Rolet's tenure as Chief Executive Officer, there is evidence that the Company achieved a strong performance. This sudden departure requires further transparency and information. The lack of disclosure is troubling and demonstrates substandard Corporate Governance. Such actions require justification in order for Shareholders to understand and review decisions taken regarding the Company's future. Donald Brydon has therefore failed to maintain good governance standards. Further to this, concerns had already been expressed at the 2017 AGM about Donald Brydon, due to his chairmanship of another FTSE 350 company. In light of the concerns mentioned above, it is therefore recommended to abstain on the proposal to remove Mr Brydon from office.

Vote Cast: *Abstain* Results: For: 20.3, Abstain: 3.2, Oppose/Withhold: 76.5,

4 Appendix

The regions are categorised as follows:

ASIA	China; Hong Kong; Indonesia; India; South Korea; Laos; Macao; Malaysia; Philippines; Singapore; Thailand; Taiwan; Papua New Guinea; Vietnam
SANZA	Australia; New Zealand; South Africa
EUROPE/GLOBAL EU	Albania; Austria; Belgium; Bosnia; Bulgaria; Croatia; Cyprus; Czech Republic; Denmark; Estonia; France; Finland; Germany; Greece; Hungary; Ireland; Italy; Latvia; Liechtenstein; Lithuania; Luxembourg; Moldova; Monaco; Montenegro; Netherlands; Norway; Poland; Portugal; Spain; Sweden; Switzerland
JAPAN	Japan
USA/CANADA	USA; Canada; Bermuda
UK/BRIT OVERSEAS	UK; Cayman Islands; Gibraltar; Guernsey; Jersey
SOUTH AMERICA	Argentina; Bolivia; Brazil; Chile; Colombia; Costa Rica; Cuba; Ecuador; El Salvador; Guatemala; Honduras; Mexico; Nicaragua; Panama; Paraguary; Peru; Uruguay; Venezuela
REST OF WORLD	Any Country not listed above

The following is a list of commonly used acronyms and definitions.

Acronym	Description
AGM	Annual General Meeting
CEO	Chief Executive Officer
EBITDA	Earnings Before Interest Tax Depreciation and Amortisation
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FY	Financial Year
KPI	Key Performance Indicators - financial or other measures of a company's performance
LTIP	Long Term Incentive Plan - Equity based remuneration scheme which provides stock awards to recipients
NED	Non-Executive Director
NEO	Named Executive Officer - Used in the US to refer to the five highest paid executives
PLC	Publicly Listed Company
PSP	Performance Share Plan
ROCE	Return on Capital Employed
SID	Senior Independent Director
SOP	Stock Option Plan - Scheme which grants stock options to recipients
TSR	Total Shareholder Return - Stock price appreciation plus dividends

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Pensions & Investment Research Consultants Limited
8th Floor, Suite 8.02, Exchange Tower
2 Harbour Exchange Square
London E14 9GE

Tel: 020 7247 2323
Fax: 020 7247 2457
http://www.pirc.co.uk

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