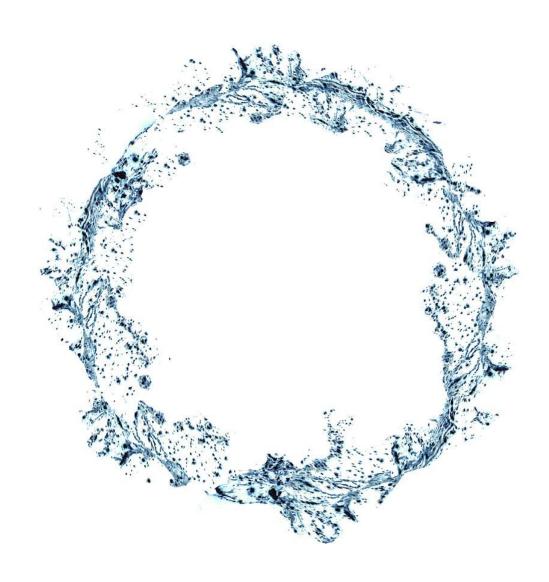
Deloitte.



City of Westminster Pension Fund

ESG Monitoring Report 2017

Deloitte Total Reward and Benefits Limited October 2018

Contents

1	Introduction	3		
2	ESG Considerations	4		
3	Majedie	6		
4	Legal and General	8		
5	Baillie Gifford	10		
6	Longview	11		
7	Insight	13		
8	Hermes	15		
9	Aberdeen Standard Investments	16		
10	Appendix I – UN PRI	17		
11	Appendix II - UK Stewardship Code	18		
12	Appendix III – Shareholder Voting Service	es19		
Risk warnings & Disclosures 20				

1 Introduction

The table below summarises the environmental, social and governance ("ESG") approach for each manager and is based on information provided by each organisation.

Manager	Mandate	Manager ESG Approach	
Majedie	UK Equity	Majedie's aim is to make money for their clients, and the investment team considers ESG factors as a fully integrated part of the investment process. Majedie aims to vote on all resolutions at all AGMs and EGMs held by companies in which they invest for clients.	
LGIM	Global Equity	LGIM aims to protect and increase shareholder value by exercising all voting rights. LGIM seeks to take an active approach to stewardship and uses its scale to influence and change company and market-wide behaviours.	
Baillie Gifford	Global Equity	The investment process at Baillie Gifford is founded on the long-term ownership of growing businesses. Baillie Gifford aims to help companies fulfil their potential by encouraging them to invest in growth opportunities and to ignore the short-term pressures of the stock market. Baillie Gifford takes responsibilities of ownership seriously and is an active steward of its clients' capital.	
Longview	Global Equity	Longview Partners believes consideration of ESG factors, including climate change, is essential. Longview believes that poor management of such issues represents risk for a company and such consideration is therefore ingrained into Longview's analysis of long term growth and stability.	
Insiaht	Gilts	Insight believes strong governance practices and management environmental and social risk are important drivers of investme value over the long and short term. Insight's research process	
Insight	Non Gilts	fully integrates ESG factors and where independent ESG analysis is not available, Insight uses its own developed ESG rating process.	
Hermes	Property	Hermes firmly believes that a responsible, sustainable approach to real estate investment management is the only strategy that both protects and enhances the value of client's assets, now and into the future. Responsible Property Investments principles are fully embedded in the investment process.	
Aberdeen Standard Investments	Long Lease Property	Aberdeen Standard's policy is to act in the best interest of clients to protect and enhance the value of their investments in accordance with their Governance and Stewardship Principles and Policy Guidelines. Aberdeen Standard always seeks to vote on clients' securities.	

2 ESG Considerations

Any significant changes to team or process for the managers as a result of ESG trends are detailed below.

2.1 Majedie

- Majedie became a signatory to the UN PRI in January 2017. This decision was made following an internal study of Majedie's ESG integration and a consideration of how much best practice had already embedded and what had still to be developed. Majedie aims to contribute to the ESG debate, as well as bringing the benefits of being a signatory to their clients.
- Throughout 2017 Majedie focused on developing a proprietary research system to allow insights to be
 more efficiently shared across teams. It will mean analysts can more easily search for specific
 information such as oil spills, safety improvements or pay ratios and find a diverse range of content
 when making investment decisions.

2.2 LGIM

- Following the successful launch of the LGIM Future World Fund in Q4 2016, a multi-factor global equities index fund incorporating a climate tilt to address climate change risks, Legal & General have extended the concept by launching further funds following the start of 2018: the Future World Climate Change Equity Factors Index Fund, the Future World Gender in Leadership UK Index Fund and the Future World Multi Asset Fund. This reinforces LGIM's commitment to long-term responsible investment, with funds incorporating LGIM's Climate Change Impact Pledge to engage with the world's largest companies that will need to adapt their business models to meet global climate change goals.
- After being a leading participator for some time, LGIM was elected to sit on the board of the
 Institutional Investor Group on Climate Change (IIGCC). This is an investor network who have been
 playing a pivotal role in shaping the climate and energy agenda in the UK and Europe. In response to
 the sustained and collective investor push, governments globally have been putting forward specific
 climate pledges NDCs (National Determined Contributions) which help to accelerate the investments
 into low carbon opportunities.

2.3 Baillie Gifford

Baillie Gifford conducts carbon footprint analysis of the Global Alpha portfolio to provide a clearer
understanding of which companies are the most significant emitters of carbon. Baillie Gifford will use
this information to focus engagement efforts to understand the actions being taken by these companies
to manage and minimise their emissions. As at 31 March 2018, the Global Alpha portfolio had a 50%
lower relative carbon footprint and a 45% lower carbon intensity than the MSCI All Countries World
index.

2.4 Longview

• There have been no significant ESG developments over 2017.

2.5 Insight

- Insight launched a dedicated microsite for responsible investment which houses reports, policy documents and education material in addition to other content.
- In 2017, Insight's ESG Risk Working Group (consisting of senior managers from across the business) was expanded to include a North America representative.
- Insight updated the Responsible Investment Policy to shift focus away from the basics of responsible investment, towards their broader aspirations as a business.

2.6 Hermes

• There have been no significant ESG developments at Hermes.

2.7 Aberdeen Standard Investments

• There have been no significant changes to the Long Lease Property Fund team or process as a result of the ESG trends in 2017.

More broadly, as a result of the merger of Standard Life Investments and Aberdeen Asset Management in August 2017, the Long Lease Property Fund, together with ASI's other real estate funds, now benefits from the support of an enlarged, dedicated real estate ESG team of three people, led by Dan Grandage. ESG continues to be embedded at the heart of ASI's investment process, and it features heavily at every stage of the asset management cycle. ASI is currently working on several improvements to its ESG approach within the investment process, which will be available to share with clients over the next few months.

3 Majedie

3.1 Stewardship Code

Majedie's Stewardship Policy states that the main aim is to make money for clients, and that the investment team considers ESG factors as an integrated part of the investment process. Majedie aims to vote on all resolutions at all AGMs and EGMs held by companies in which Majedie invest for its clients. Majedie subscribe to Institutional Shareholder Services (ISS) who engage with companies regarding corporate governance and remuneration policies. Majedie has its own customised voting policy that is run in parallel with ISS's policy recommendations.

The key principles that frame Majedie's Stewardship Policy are:

- 1. Reference to the UK Corporate Governance Code
- 2. Open Communication
- 3. Shareholder Protection
- 4. Social, Ethical and Environmental Responsibility
- 5. Reporting
- 6. Shareholder Engagement
- 7. Collaboration
- 8. Stock Lending

3.2 ESG actions in 2017

At the GAME Digital AGM in January 2017, Majedie voted against the Remuneration Report's suggestion to maintain Performance Share Plan (PSP) grants at their normal levels as a proportion of salary. Majedie felt that this would result in the possibility of executive directors receiving considerable gains when compared with previous years which, Majedie felt, was not aligned with shareholder interests.

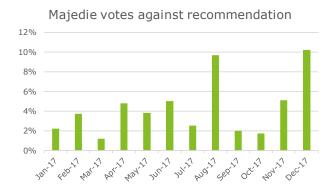
At the Chemring AGM in March 2017, the company consulted Majedie on its proposed Remuneration and Incentive Plan. The fund managers' feedback resulted in an improvement in the terms, and consequently Majedie voted in favour of the Policy and Plan which incorporated changes focused on achieving returns for shareholders in the medium to long term.

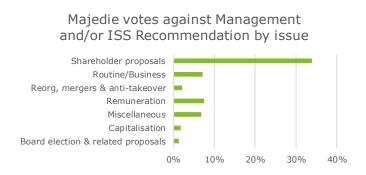
At the Barclays AGM in May 2017, Majedie voted in support of the re-election of Jes Staley as Barclays' CEO. Majedie viewed Staley as an effective leader and noted that he had admitted his mistakes following his involvement in a whistleblowing case, with disciplinary action already taken by the Board. In the absence of a finding from the regulators, Majedie were prepared to supports the Board in their decision to retain Staley.

At the Ladbrokes Coral AGM in May 2017, Majedie voted against the Remuneration Policy and the Performance Share Plan. The proposed increase in total remuneration opportunity was excessive in relation to the performance of the company.

3.3 Voting Summary

Majedie voted at 349 shareholders meetings in 2017, voting in favour of the resolution in 92% of cases and 5% against. Given Majedie's approach to ESG as being an integrated part of their investment research and decisions, and therefore tend to invest in companies that have satisfied their investment filter in the first place, it is not surprising that the vast majority of votes are cast in favour of management. Majedie's voting record against both management and ISS recommendations in 2017 is shown in the charts below.





Majedie voted against recommendations most frequently in 2017 on shareholder proposals and routine issues.

3.4 ESG research in 2017

During 2017, Majedie researched the downside scenario that climate change will result in more frequent natural disasters over time. Majedie notes that 2017 was a particularly bad year for reinsurance companies such as Everest Reinsurance for the number of hurricanes.

Long-term climate change means that there may be greater demand for pest control in the future. Following research Majedie notes that warmer temperatures driven by global warming may increase the frequency of pest outbreaks, particularly given the growing urbanisation in Emerging Market countries. The urbanisation trend may result in greater demand for pest control companies such as Rentokill in the future.

As part of Majedie's analysis of the Korean batter maker, Samsung SDI, Majedie considered the effect of renewable energy meeting an increasing proportion of global energy needs. Majedie also conducted scenario analysis which considered how regulation may result in electric vehicles accounting for a higher proportion of global automobile sales in the future.

4 Legal and General

4.1 Stewardship Code

LGIM's mission is to use its influence to ensure companies integrate ESG factors into their culture and thinking every day and to ensure markets and regulators create an environment in which good management of ESG factors is valued and supported. LGIM's aim is to achieve positive societal impacts that will create sustainable long-term value. LGIM seek to achieve this through:

- Company engagement
- Using voting rights globally
- Integrating ESG factors into portfolio management
- Addressing systematic risks and opportunities
- Influencing governments, regulators and policy makers
- Collaborating with other investors and stakeholders

LGIM votes at all company meetings in the UK where the company has a premium listing. LGIM will vote at the meetings of smaller companies on an ad hoc basis when it holds a significant shareholding and the meeting is critical to the future of the business, or where LGIM has a significant concern with any aspects of its governance. LGIM also uses voting information services such as ISS and IVIS for their analysis and research on companies. Where LGIM votes against a resolution at a UK listed company, this will be followed up with a letter to the company giving rationale for the decision and will request a meeting to discuss LGIM's concerns.

4.2 ESG actions in 2017

Over the year 2017, LGIM's technology thematic group have examined the impact of the convergence of incremental change, technological trends and consumer demands around road vehicles. LGIM's analysis and engagement with Daimler suggested the carmaker held a low ranking in terms of its climate-related preparedness in comparison with similar companies. LGIM held 21 meetings with the company over the previous two years and continued to engage across LGIM's diverse team, including its Climate Impact Pledge, providing a detailed analysis of diesel risks and plans to transition to EVs. Management reassurance on its commitment to research and development and new technologies, given the low valuation, led to LGIM's equities team concluding that disruption was priced into Daimler's shares but evolving future opportunities were not and re-positioned their portfolios accordingly.

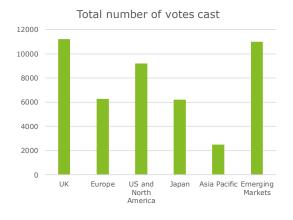
Following various meetings with Centrica and the UK regulator, LGIM was not confident in Centrica's ability to keep pace with the rapidly changing UK energy retail environment. Energy retail is a sector that, driven by the decarbonisation social agenda, has started to see an acceleration in the pace of change in its industry. Following analysis, it was apparent that longer term prospects for the company are more uncertain with Centrica's cashflows heavily reliant on a direct exposure to consumers. This lead to the decision by LGIM's analyst team to downgrade Centrica's credit recommendation.

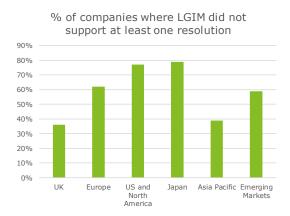
Following the announcement in 2017 that the Board Chair of BHP Billiton (BHP) would step down, LGIM was heavily involved in succession planning. Following a total of 13 meetings across 2017, taking account of the size and scale of the company, LGIM oversaw the announcement of a new chairman who it was believed his business operational experience as a former CEO will benefit BHP Billiton. LGIM publicly supported the appointment process.

In 2016, Wells Fargo was implicated in an internal cross-selling scandal involving 1.5 million fraudulent accounts. LGIM's 2016 engagement led to the CEO-chairman stepping down and company bylaws being amended to require separation of the CEO and chair roles. Over 2017, LGIM held six meetings with Wells Fargo, requesting that the board be refreshed, the composition of the audit and risk committees be reviewed and an external board effectiveness review be conducted to help through the transition. All of these changes were implemented by the company during the year and three more independent non-executive directors were appointed in January 2018 to strengthen the board.

4.3 Voting Summary

Globally, LGIM voted at 3,024 Annual General Meetings in 2017 and cast 46,446 votes in total. The number of votes cast per region and a breakdown of where LGIM did not support at least one resolution per region is given below.





LGIM's most common votes against management was related to company Directors where LGIM opposed the election or re-election of 2,9807 directors in 2017.

5 Baillie Gifford

5.1 Stewardship Code

Baillie Gifford's underlying philosophy on engagement and stock selection is to treat stewardship, responsibility and longevity as synonymous concepts.

Baillie Gifford aims to identify exceptional businesses with the potential to deliver outsized, long-term returns for clients, providing support and encouraging ambitions while also taking the opportunity to learn from conversations.

As long-term owners of companies, Baillie Gifford believes it is essential to consider the broad stakeholder economics of each of its investments. Baillie Gifford believes that environmental, social and governance factors must be considered carefully given their potential impact on the future health of a business as measured through growth and returns.

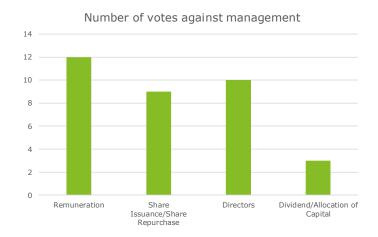
5.2 ESG actions in 2017

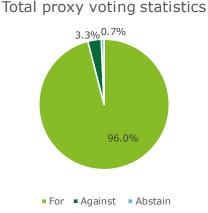
Baillie Gifford held conversations with Tesla over 2017, revolving around human capital management, board make-up, M&A activity and Elon Musk's remuneration. Tesla's contribution to a lower carbon economy, in Baillie Gifford's view, far outweighs the governance issues that have appeared in the media. The engagement meetings are taking place to ensure the company is positioned to continue with its positive contribution to the environment and society, as well as the shareholders.

Over 2017, Baillie Gifford held discussions with the management of Royal Caribbean Cruises in relation to its remuneration policy. Baillie Gifford has been concerned about the repeated use of discretionary equity awards, made in addition to normal long-term incentives. Following discussions with management, Baillie Gifford has opposed a number of resolutions on executive, as well as recently opposing the re-election of the chair of the remuneration committee.

5.3 Voting Summary

Baillie Gifford voted against management remuneration related issues most frequently in 2017, as represented by the bar chart below. The pie chart represents a summary of the Global Alpha fund's proxy voting activities in 2017. Of the 1137 votes cast over the year, Baillie Gifford supported management resolutions on the majority of occasions.





6 Longview

6.1 Stewardship Code

Longview actively engages with senior management and encourages high standards of corporate governance. This engagement covers strategy as well as corporate responsibility issues with company directors and executives. Longview believes that these factors affect the potential for a company to deliver long-term sustainable value to shareholders. Where there is past, current or anticipated behaviour that is judged to be adverse to future earnings, these concerns are addressed in Longview's fundamental research and investment process. .

Assessing the significance of ESG related risks and opportunities is an integral part of Longview's bottom-up research process:

- Governance issues considered within the quality rating, with the key element of this analysis being the company's treatment of shareholders and its use of capital;
- Longview believes that a lack of consideration for environmental issues can negatively impact the growth of a business and its long and short-term profitability; and
- With regards to social issues, Longview takes direction from clients as to whether it is deemed appropriate to own certain companies in their portfolio.

During the continual assessment of investments, Longview ensure on-going dialogue with the management of companies takes place. This is to ensure that these businesses continue to perform in line with expectations and are meeting reasonable governance holdings.

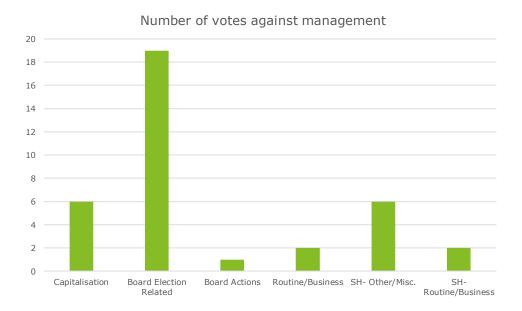
6.2 ESG actions in 2017

In March 2017, Longview met with Jerome Contamine (CFO) and George Grofik (Investor Relations) of Sanofi, expressing concerns regarding Sanofi's bid for Swiss biotech company Acctelion in November 2016. Longview believed the price Sanofi had been willing to pay was too high and that Actelion would struggle to meet the criteria for creating the terminal value spoken of from Jerome's previous meetings with Longview. After conversations it was agreed that acquisitions should have both strategic and financial value, the opportunity was not pursued.

During May 2017, Longview was approached by Compass Group to discuss the company's proposed three-year remuneration policy which was due to commence in 2018. Longview put forward a preferred remuneration structure which placed emphasis on operating performance-based metrics rather than those connected to the share price. Further meetings took place throughout 2017 and Longview engaged in a further conference call in July 2017 with the Remuneration Chair, HR Director and Company Secretary of Compass Group. Longview was generally satisfied that the remuneration structure adequately aligns the interests of shareholders with those of management, with the only exception being the company's exclusion of share buy-backs from a new long term incentive plan performance measure. Longview's objection was understood and acknowledged by the company and the proposed new performance measure was not included in the final version of the remuneration policy.

6.3 Voting Summary

The chart below represents the number of times Longview voted against management over 2017. Longview voted against management most frequently on matters related to the election of Board members over 2017.



7 Insight

7.1 Stewardship Code

Insight considers responsible investment as central to investment activities, culture, relationships with clients and to interaction with stakeholder. Insight's credit selection process incorporates an assessment of ESG risks alongside financial and other investment considerations.

To deliver on these objectives, Insight:

- 1. Takes account of financially material short and long-term risk factors in their investment research and decision-making process. These risk factors may include environmental, social and governance issues.
- 2. Exercises a stewardship role in the companies and other entities in which Insight invests in. Insight believes that good stewardship can create investment opportunities and reduce investment risk. Insight therefore engages with management to discuss issues such as strategy, deployment of capital, performance, remuneration, risk management and ESG factors.
- 3. Supports efforts that seek to improve the operation, resilience and stability of financial markets. This includes sustainable economic development and health of the natural environment.

Insight has open and regular communication with companies it has exposure to in a fixed income sense. ESG is regarded as a subset of risk factors which form part of Insight's credit analysis, believing these factors are a proxy for issuer quality. Insight engages with debt issuers, encouraging the improvement of their practices and performance, with the aim of improving the value of the credit.

Being a member of BNY Mellon Investment Management, Insight is able to participate in meetings with issuers where the interest of equity investors tends to take prominence. This allows Insight added exposure to the company which other debt investors may not get.

7.2 ESG actions in **2017**

A company in the consumer non-discretionary sector brought a new issue to market in 2016. Insight highlighted ESG issues, scoring a 5 (poorest possible ESG rating), with particular concerns around corruption and product quality breaches. For Insight's active portfolios, because the bonds had an investment grade rating but were priced as a high-yield BB-rated issue, Insight believed the potential upside of short-term investment returns outweighed the likely material impact of a weaker ESG profile. Following Insight's investment, the bonds rallied meaning that financial and non-financial risks, including ESG risks, were no longer priced into spread levels and Insight sold down the bonds.

In 2017, there was strong demand for an investment-grade global retailer, however during the due diligence process an Insight analyst identified several credit and business risks. These risks included a complex corporate structure; the bond was issued from a regional entity while the financial statements were for the group as a whole, the regional issuing entity did not have access to the cashflow or assets of other entities, and the issuer was listed in an unstable emerging market. The analyst therefore recommended to avoid buying the new issue and in later 2017 significant accounting irregularities were reported, but not detailed. Credit ratings agencies materially downgraded the company from investment grade to high yield and the issue from 2017 lost approximately half of its value.

7.3 Credit analysis & ESG engagement

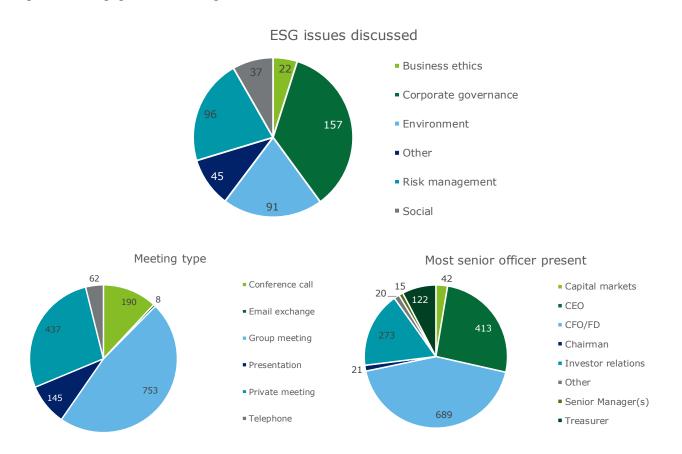
As part of Insight's credit research process, where ESG issues are material, analysts are required to comment on the implications of the ratings given to companies (where third-party ratings provided by MSCI were unavailable). A selection of comments provided by analysts when making investment decisions for the credit portfolio is given below in the absence of any voting statistics. The recommendation that the following companies issues were not suitable for the buy and maintain portfolio were accompanied by the comments below:

"The company has a bad overall score...The poor social score is driven by product safety and quality concerns, and exposure to corruption and instability due to its significant emerging market exposure. The company has recently experienced several product recalls."

"Given the various ESG concerns, the frequent acquisitions and low BBB ratings, the company is not appropriate for buy-and-maintain accounts."

"The emerging market banks don't score particularly well...my bigger concerns would be: governance (given the complex ownership structures...) and interference from large shareholders; potential for money laundering and corruption issues – particularly given the sprawling networks in the region; opaque accounting – given the issues around consolidation of different entities, transition to IFRS, and changing regulatory requirements; potential for shareholder influence in lending decisions – given the partial ownership of the banks by industrial groups; and politicisation of lending and regulatory decisions."

Insight's ESG engagements relating to their fixed income interests for 2017 are summarised below:



8 Hermes

8.1 Stewardship Code

Hermes fully embeds its Responsible Property Investment (RPI) principles. These principles highlight the need to:

- Continuously improve monitoring of ESG performance during refurbishment and development projects;
- Focus on EU and UK sustainable finance, green growth and energy policies within sector and public policy engagement; and
- Abide by climate disclosure TSFD recommendations for Real Estate and soft landings and operational green certification.

8.2 RPI programme priorities for 2018

Every year Hermes reviews its strategy and identifies priorities for action to deliver continuous improvements across its portfolios. Hermes has identified the following issues as important elements to focus on and integrate more explicitly and within its processes:

- Tenant engagement activities including occupier due diligence to include ESG risk assessment, increase
 the depth and coverage of occupier engagement and performance data and increase coverage of
 occupier performance data.
- Well-being and responsible property management activities such as working with experts in the
 industry to develop new and innovative ways of improving the work environment for occupiers, utilising
 new technology and certifications along with continuous improvements on operational performance.
- Working with industry to develop a process to measure positive impacts of Real Estate investments and EU and UK sustainable finance, green growth and energy policies.

8.3 Voting Summary

HPUT has direct management control of assets and therefore cannot use voting as a means of influencing organisations.

9 Aberdeen Standard Investments

9.1 Stewardship Code

Aberdeen Standard's policy states that it will aim to:

- Support investors with a full range of investment opportunities and solutions, and the highest level of service and support.
- Continue to implement the long legacy of both managers as responsible investors, prior to the merger
 of Standard Life and Aberdeen Asset Management in August 2017 ESG has historically sat within each
 company's stewardship approach.
- Use reasonable endeavours to enhance long-term shareholder value through constructive engagement with companies and other corporate governance initiatives.
- Always seek to vote clients' securities and engage with companies on their behalf in a manner consistent with their best interests.
- Use reasonable endeavours to influence the development of the corporate governance and stewardship environment.
- Communicate their Governance and Stewardship Principles and Guidelines to clients, companies and other interested parties.
- Be accountable to clients within the constraints of professional confidentiality and legislative and regulatory requirements.

9.2 ESG actions in 2017

During 2017, ASI held 302 one-to-one ESG engagements with investee companies with 180 of these planned on the basis of ASI's engagement priorities and 122 organised in reaction to ESG change. In total, 111 of these engagements were with overseas companies. ASI notes its particular satisfaction that engagement with US companies continues to increase as ASI builds its ESG relationships and is encouraged that more of these engagements involved independent board members.

ASI has been a shareholder in Galp Energia, Portugal's only oil and natural gas integrated operator, for many years. After being made aware of the company's chairman and 33% shareholder's plans to step down in favour of his daughter, ASI requested a call to discuss this change and in April 2017 were able to speak to the vice-chairman. ASI expressed its view that the board, with 19 members, was large and lacked independence. ASI repeated its previous call for better disclosure around the nominations process.

9.3 Voting Summary

The Long Lease Property Fund has direct management control of assets and therefore cannot use voting as a means of influencing organisations.

10 Appendix I – UN PRI

In 2005, then UN Secretary-General Kofi Annan invited some of the world's largest institutional investors to develop the Principles for Responsible Investment. Since being launch in 2006, the list of signatories has grown from 100 to over 1600. In implementing the principles, investors contribute to developing a more sustainable global financial system and can incorporate ESG issues into their investment practice. The six principles for responsible investment are listed below:

- 1. We will incorporate ESG issues into investment analysis and decision-making processes.
- 2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
- 3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- 4. We will promote acceptance and implementation of the principles within the investment industry.
- 5. We will work together to enhance our effectiveness in implementing the principles.
- 6. We will each report on our activities and progress toward implementing the principles.

11 Appendix II - UK Stewardship Code

The UK Stewardship Code aims to enhance the quality of engagement between investors and companies to help improve long-term risk adjusted returns to shareholders.

The code states that investors should:

- 1. Publicly disclose their policy on how they will discharge their stewardship responsibilities
- 2. Have a robust policy on managing conflicts of interest in relation to stewardship which should be publicly disclosed
- 3. Monitor their investee companies
- 4. Establish clear guidelines on when and how they will escalate their stewardship activities
- 5. Be willing to act collectively with other investors where appropriate
- 6. Have a clear policy on voting and disclosure of voting activity
- 7. Report periodically on their stewardship and voting activities

12 Appendix III – Shareholder Voting Services

Institutional Shareholder Services Inc. ("ISS")

ISS is the world's leading provider of corporate governance and responsible investment (RI) solutions for asset owners, asset managers, hedge funds, and asset service providers. ISS' solutions include: objective governance research and recommendations; RI data, analytics, and research; end-to-end proxy-voting and distribution solutions; turnkey securities class-action claims management; and reliable global governance data and modelling tools. Institutional clients turn to ISS to apply their corporate governance views, identify environmental, social and governance risk, and manage their complete proxy voting needs on a global basis.

Institutional Voting Informative Service ("IVIS")

IVIS does not provide voting recommendations, but highlights issues or concerns for its subscribers to consider prior to voting. IVIS helps members exercise their voting rights and enables them to make more informed voting decisions. They publish concise reports analysing Annual Reports and Notice of Meetings in addition to other available information. For example, an IVIS ESG Report monitors a company's compliance with the Guidelines on Responsible Investment Disclosures.

Vigeo Eiris ("EIRIS")

EIRIS is a global provider of ESG research and services. They offer decision making tools for all type of investors, covering all ethical and responsible investment approaches. EIRIS measure the relevance of companies and organisations' commitments, the efficiency of their managerial systems, their ability to manage risks, and their performance on all environmental, governance, social and societal responsibility factors.

Risk warnings & Disclosures

- Past performance is not necessarily a guide to the future.
- The value of investments may fall as well as rise and you may not get back the amount invested.
- Income from investments may fluctuate in value.
- Where charges are deducted from capital, the capital may be eroded or future growth constrained.
- Investors should be aware that changing investment strategy will incur some costs.
- Any recommendation in this report should not be viewed as a guarantee regarding the future performance of the products or strategy.

Our advice will be specific to your current circumstances and intentions and therefore will not be suitable for use at any other time, in different circumstances or to achieve other aims or for the use of others. Accordingly, you should only use the advice for the intended purpose.

Our advice must not be copied or recited to any other person than you and no other person is entitled to rely on our advice for any purpose. We do not owe or accept any responsibility, liability or duty towards any person other than you.

Deloitte Total Reward and Benefits Limited is authorised and regulated by the Financial Conduct Authority.

Deloitte.

Other than as stated below, this document is confidential and prepared solely for your information and that of other beneficiaries of our advice listed in our engagement letter. Therefore you should not refer to or use our name or this document for any other purpose, disclose them or refer to them in any prospectus or other document, or make them available or communicate them to any other party. If this document contains details of an arrangement that could result in a tax or National Insurance saving, no such conditions of confidentiality apply to the details of that arrangement (for example, for the purpose of discussion with tax authorities). In any event, no other party is entitled to rely on our document for any purpose whatsoever and thus we accept no liability to any other party who is shown or gains access to this document.

 $\ @$ 2018 Deloitte Total Reward and Benefits Limited. All rights reserved.

Deloitte Total Reward and Benefits Limited. Registered office: Hill House, 1 Little New Street, London EC4A 3TR, United Kingdom. Registered in England and Wales No 3981512.

Deloitte Total Reward and Benefits Limited is a subsidiary of Deloitte LLP, the United Kingdom member firm of Deloitte Touche Tohmatsu Limited ("DTTL"), a UK private company limited by guarantee, whose member firms are legally separate and independent entities. Please see www.deloitte.co.uk/about for a detailed description of the legal structure of DTTL and its member firms.

Deloitte Total Reward and Benefits Limited is authorised and regulated by the Financial Conduct Authority.