

Voting Rationale Sustainable Future Funds Q3 2018

Meeting Date Range: 01/07/18 - 30/09/18

| Pennon Group plc | | | |
|----------------------|--|---------------------------|------|
| MEETING TYPE: | Annual General Meeting | | |
| MEETING DATE: | 04 April 2018 | | |
| ITEM | PROPOSAL | MANAGEMENT RECOMMENDATION | VOTE |
| 1 | Accept Financial Statements and Statutory Reports | FOR | FOR |
| 2 | Approve Final Dividend | FOR | FOR |
| 3 | Approve Remuneration Report | FOR | FOR |
| 4 | Re-elect Sir John Parker as Director | FOR | FOR |
| 5 | Re-elect Martin Angle as Director | FOR | FOR |
| 6 | Re-elect Neil Cooper as Director | FOR | FOR |
| 7 | Re-elect Susan Davy as Director | FOR | FOR |
| 8 | Re-elect Christopher Loughlin as Director | FOR | FOR |
| 9 | Re-elect Gill Rider as Director | FOR | FOR |
| 10 | Reappoint Ernst & Young LLP as Auditors | FOR | FOR |
| 11 | Authorise the Audit Committee to Fix Remuneration of Auditors | FOR | FOR |
| 12 | Authorise EU Political Donations and Expenditure | FOR | FOR |
| 13 | Authorise Issue of Equity with Pre-emptive Rights | FOR | FOR |
| 14 | Authorise Issue of Equity without Pre-emptive Rights | FOR | FOR |
| 15 | Authorise Issue of Equity without Pre-emptive Rights in Connection with an Acquisition or Specified Capital Investment | FOR | FOR |
| 16 | Authorise Market Purchase of Ordinary Shares | FOR | FOR |
| 17 | Authorise the Company to Call General Meeting with Two Weeks' Notice | FOR | FOR |

| Dairy Crest Group plc | |
|-----------------------|------------------------|
| MEETING TYPE: | Annual General Meeting |

MEETING 17 July 2018
DATE:

| ITEM | PROPOSAL | MANAGEMENT RECOMMENDATION | VOTE |
|------|--|---------------------------|---------|
| 1 | Accept Financial Statements and Statutory Reports | FOR | ABSTAIN |
| 2 | Approve Remuneration Report | FOR | FOR |
| 3 | Approve Final Dividend | FOR | FOR |
| 4 | Re-elect Mark Allen as Director | FOR | FOR |
| 5 | Re-elect Tom Atherton as Director | FOR | FOR |
| 6 | Re-elect Adam Braithwaite as Director | FOR | FOR |
| 7 | Elect Moni Mannings as Director | FOR | FOR |
| 8 | Elect John Gibney as Director | FOR | FOR |
| 9 | Re-elect Stephen Alexander as Director | FOR | FOR |
| 10 | Re-elect Sue Farr as Director | FOR | FOR |
| 11 | Re-elect Richard Macdonald as Director | FOR | FOR |
| 12 | Reappoint Deloitte LLP as Auditors | FOR | FOR |
| 13 | Authorise Board to Fix Remuneration of Auditors | FOR | FOR |
| 14 | Authorise the Company to Call General Meetings with Two Weeks' Notice | FOR | FOR |
| 15 | Authorise EU Political Donations and Expenditure | FOR | FOR |
| 16 | Authorise Issue of Equity with Pre-emptive Rights | FOR | FOR |
| 17 | Authorise Issue of Equity without Pre-emptive Rights | FOR | FOR |
| 18 | Authorise Issue of Equity without Pre-emptive Rights in Connection with an Acquisition or Other Capital Investment | FOR | FOR |
| 19 | Authorise Market Purchase of Ordinary Shares | FOR | FOR |

Resolution 1: We elected to abstain on this proposal as we hold that Boards that are diverse are more able to draw on a wide range of skills, competence and diversity of perspectives and are therefore better able to challenge, debate and fulfil their oversight responsibilities, and generate and preserve shareholder value. The Company is a constituent of the FTSE 250 and has fewer than 30% of women on the Board, this is below our minimum threshold on gender balance.

| Industria de Diseno Textil (INDITEX) | | | |
|---|--|---------------------------|---------|
| MEETING TYPE: | Annual General Meeting | | |
| MEETING DATE: | 17 July 2018 | | |
| ITEM | PROPOSAL | MANAGEMENT RECOMMENDATION | VOTE |
| 1 | Approve Standalone Financial Statements | FOR | FOR |
| 2 | Approve Consolidated Financial Statements and Discharge of Board | FOR | FOR |
| 3 | Approve Allocation of Income and Dividends | FOR | FOR |
| 4 | Reelect Rodrigo Echenique Gordillo as Director | FOR | ABSTAIN |
| 5 | Elect Pilar Lopez Alvarez as Director | FOR | ABSTAIN |
| 6 | Approve Remuneration Policy | FOR | FOR |
| 7 | Renew Appointment of Deloitte as Auditor | FOR | FOR |
| 8 | Advisory Vote on Remuneration Report | FOR | FOR |
| 9 | Authorize Board to Ratify and Execute Approved Resolutions | FOR | FOR |
| Resolutions 4 & 5: We elected to abstain on these proposal as we hold Director terms should not exceed more than three years as we feel that longer terms of office reduce director accountability to shareholders. The proposed term of office for these directors are four years. | | | |

| Biffa plc | | | |
|----------------------|---|---------------------------|------|
| MEETING TYPE: | Annual General Meeting | | |
| MEETING DATE: | 18 July 2018 | | |
| ITEM | PROPOSAL | MANAGEMENT RECOMMENDATION | VOTE |
| 1 | Accept Financial Statements and Statutory Reports | FOR | FOR |
| 2 | Approve Final Dividend | FOR | FOR |
| 3 | Approve Remuneration Report | FOR | FOR |

| | | | |
|----|--|-----|-----|
| 4 | Elect Carol Chesney as Director | FOR | FOR |
| 5 | Re-elect Michael Averill as Director | FOR | FOR |
| 6 | Re-elect Kenneth Lever as Director | FOR | FOR |
| 7 | Re-elect David Martin as Director | FOR | FOR |
| 8 | Re-elect Michael Topham as Director | FOR | FOR |
| 9 | Re-elect Ian Wakelin as Director | FOR | FOR |
| 10 | Reappoint Deloitte LLP as Auditors | FOR | FOR |
| 11 | Authorise Board to Fix Remuneration of Auditors | FOR | FOR |
| 12 | Authorise Issue of Equity with Pre-emptive Rights | FOR | FOR |
| 13 | Authorise Issue of Equity without Pre-emptive Rights | FOR | FOR |
| 14 | Authorise Issue of Equity without Pre-emptive Rights in Connection with an Acquisition or Other Capital Investment | FOR | FOR |
| 15 | Authorise Market Purchase of Ordinary Shares | FOR | FOR |
| 16 | Authorise the Company to Call General Meeting with Two Weeks' Notice | FOR | FOR |

| BTG plc | | | |
|----------------------|---|---------------------------|---------|
| MEETING TYPE: | Annual General Meeting | | |
| MEETING DATE: | 18 July 2018 | | |
| ITEM | PROPOSAL | MANAGEMENT RECOMMENDATION | VOTE |
| 1 | Accept Financial Statements and Statutory Reports | FOR | FOR |
| 2 | Approve Remuneration Report | FOR | AGAINST |
| 3 | Re-elect Susan Foden as Director | FOR | FOR |
| 4 | Re-elect Graham Hetherington as Director | FOR | FOR |
| 5 | Re-elect Louise Makin as Director | FOR | FOR |
| 6 | Re-elect Ian Much as Director | FOR | FOR |
| 7 | Re-elect James O'Shea as Director | FOR | FOR |
| 8 | Re-elect Garry Watts as Director | FOR | AGAINST |
| 9 | Re-elect Richard Wohanka as Director | FOR | FOR |
| 10 | Elect Gregory Barrett as Director | FOR | FOR |
| 11 | Elect Duncan Kennedy as Director | FOR | FOR |

| | | | |
|----|--|-----|-----|
| 12 | Elect Anne Thorburn as Director | FOR | FOR |
| 13 | Reappoint Deloitte LLP as Auditors | FOR | FOR |
| 14 | Authorise Board to Fix Remuneration of Auditors | FOR | FOR |
| 15 | Authorise EU Political Donations and Expenditure | FOR | FOR |
| 16 | Approve Sharesave Plan | FOR | FOR |
| 17 | Approve USA Stock Purchase Plan | FOR | FOR |
| 18 | Authorise Issue of Equity with Pre-emptive Rights | FOR | FOR |
| 19 | Authorise Issue of Equity without Pre-emptive Rights | FOR | FOR |
| 20 | Authorise Issue of Equity without Pre-emptive Rights in Connection with an Acquisition or Other Capital Investment | FOR | FOR |
| 21 | Authorise the Company to Call General Meeting with Two Weeks' Notice | FOR | FOR |

Resolution 2: We determine the vote on the Remuneration Report in the context of overall levels of remuneration. Adhering to best practice guidelines, we will consider carefully where the highest paid Director's salary is above upper quartile for the index, where there are significant concerns over quantum of pay or where significant increases in salary have been granted without a clear justification. Base pay for the CEO/highest paid director is above upper quartile for the index on a balanced comparison which is not justified by either the performance or size of the company. Moreover, the 2016 PSP award for the departing CFO, Rolf Soderstrom, will not be pro-rated for time, which deviates from good practice. Although the Company has provided an explanation, it does not make it clear why exceptional circumstances apply in this case. In addition, Rolf Soderstrom's contractual entitlements may also result in a bonus for his unworked notice period, which calls into question the need for discretion on the treatment of PSP awards.

Resolution 8: We elected to vote against this proposal as this Director sits on 3 external boards (In addition to his role as Non-executive Chair at BTG plc, Garry Watts is Chair at Foxtons Group plc and Spire Healthcare Group plc, and NED at Coca-Cola EuropeanPartners plc). We have concerns about the amount of time he can dedicate to this board, given the number of other boards he sits on.

National Grid plc

MEETING TYPE: Annual General Meeting

MEETING DATE: 30 July 2018

| ITEM | PROPOSAL | MANAGEMENT RECOMMENDATION | VOTE |
|------|--|---------------------------|------|
| 1 | Accept Financial Statements and Statutory Reports | FOR | FOR |
| 2 | Approve Final Dividend | FOR | FOR |
| 3 | Re-elect Sir Peter Gershon as Director | FOR | FOR |
| 4 | Re-elect John Pettigrew as Director | FOR | FOR |
| 5 | Re-elect Dean Seavers as Director | FOR | FOR |
| 6 | Re-elect Nicola Shaw as Director | FOR | FOR |
| 7 | Re-elect Nora Brownell as Director | FOR | FOR |
| 8 | Re-elect Jonathan Dawson as Director | FOR | FOR |
| 9 | Re-elect Therese Esperdy as Director | FOR | FOR |
| 10 | Re-elect Paul Golby as Director | FOR | FOR |
| 11 | Re-elect Mark Williamson as Director | FOR | FOR |
| 12 | Elect Amanda Mesler as Director | FOR | FOR |
| 13 | Reappoint Deloitte LLP as Auditors | FOR | FOR |
| 14 | Authorise Board to Fix Remuneration of Auditors | FOR | FOR |
| 15 | Approve Remuneration Report | FOR | FOR |
| 16 | Authorise EU Political Donations and Expenditure | FOR | FOR |
| 17 | Authorise Issue of Equity with Pre-emptive Rights | FOR | FOR |
| 18 | Authorise Issue of Equity without Pre-emptive Rights | FOR | FOR |
| 19 | Authorise Issue of Equity without Pre-emptive Rights in Connection with an Acquisition or Other Capital Investment | FOR | FOR |
| 20 | Authorise Market Purchase of Ordinary Shares | FOR | FOR |

| Syncona Ltd. | | | |
|----------------------|---|---------------------------|---------|
| MEETING TYPE: | Annual General Meeting | | |
| MEETING DATE: | 31 July 2018 | | |
| ITEM | PROPOSAL | MANAGEMENT RECOMMENDATION | VOTE |
| 1 | Accept Financial Statements and Statutory Reports | FOR | AGAINST |
| 2 | Ratify Deloitte LLP as Auditors | FOR | FOR |

| | | | |
|----|--|-----|---------|
| 3 | Authorise Board to Fix Remuneration of Auditors | FOR | FOR |
| 4 | Re-elect Jeremy Tigue as Director | FOR | FOR |
| 5 | Re-elect Thomas Henderson as Director | FOR | FOR |
| 6 | Elect Rob Hutchinson as Director | FOR | FOR |
| 7 | Re-elect Nigel Keen as Director | FOR | FOR |
| 8 | Re-elect Nick Moss as Director | FOR | FOR |
| 9 | Elect Gian Piero Reverberi as Director | FOR | FOR |
| 10 | Re-elect Ellen Strahlman as Director | FOR | FOR |
| 11 | Approve Remuneration Report | FOR | FOR |
| 12 | Authorise Issue of Equity with Pre-emptive Rights | FOR | FOR |
| 13 | Approve Waiver on Tender-Bid Requirement | FOR | ABSTAIN |
| 14 | Authorise Market Purchase of Ordinary Shares | FOR | FOR |
| 15 | Authorise Issue of Equity without Pre-emptive Rights | FOR | FOR |

Resolution 1: We elected to abstain on this proposal as we hold that Boards that are diverse are more able to draw on a wide range of skills, competence and diversity of perspectives and are therefore better able to challenge, debate and fulfil their oversight responsibilities, and generate and preserve shareholder value. The Company is a constituent of the FTSE 250 and has fewer than 15% of women on the Board, this is below our minimum threshold on gender balance.

Resolution 13: The Board is seeking shareholder approval for the waiver of the obligation that would otherwise arise for Wellcome Ventures ("the Concert Party") to make a general offer to the shareholders of the Company pursuant to Rule 9 of the City Code on Takeovers and Mergers (the "Takeover Code"). This resolution may give effect to creeping control allowing the Concert Party to gain control of the Company without the payment of a premium to other shareholders. In general we are against Rule 9 Waivers however in this particular case we are less concerned given the nature of the relationship and the specific relationship agreement.

John Laing Environmental Assets Group Ltd*

MEETING TYPE: Annual General Meeting

MEETING DATE: 15 August 2018

| ITEM | PROPOSAL | MANAGEMENT RECOMMENDATION | VOTE |
|------|--|---------------------------|------|
| 1 | Accept Financial Statements and Statutory Reports | FOR | FOR |
| 2 | Approve Remuneration Report | FOR | FOR |
| 3 | Re-elect Richard Morse Director | FOR | FOR |
| 4 | Re-elect Denise Mileham Director | FOR | FOR |
| 5 | Ratify Deloitte LLP as Auditors | FOR | FOR |
| 6 | Authorise Board to Fix Remuneration of Auditors | FOR | FOR |
| 7 | Approve Interim Dividend | FOR | FOR |
| 8 | Approve Scrip Dividend Program | FOR | FOR |
| 9 | Authorise Market Purchase of Ordinary Shares | FOR | FOR |
| 10 | Authorise Issue of Equity without Pre-emptive Rights | FOR | FOR |

| Rightmove plc** | | | |
|----------------------|----------------------------|---------------------------|------|
| MEETING TYPE: | Special Meeting | | |
| MEETING DATE: | 22 August 2018 | | |
| ITEM | PROPOSAL | MANAGEMENT RECOMMENDATION | VOTE |
| 1 | Approve Share Sub-Division | FOR | FOR |

| Sophos Group plc | | | |
|----------------------|---|---------------------------|---------|
| MEETING TYPE: | Annual General Meeting | | |
| MEETING DATE: | 30 August 2018 | | |
| ITEM | PROPOSAL | MANAGEMENT RECOMMENDATION | VOTE |
| 1 | Accept Financial Statements and Statutory Reports | FOR | ABSTAIN |
| 2 | Approve Remuneration Report | FOR | AGAINST |
| 3 | Approve Final Dividend | FOR | FOR |

| | | | |
|----|--|-----|-------------|
| 4 | Re-elect Sandra Bergeron as Director | FOR | FOR |
| 5 | Re-elect Nick Bray as Director | FOR | FOR |
| 6 | Re-elect Peter Gyenes as Director | FOR | FOR |
| 7 | Re-elect Kris Hagerman as Director | FOR | FOR |
| 8 | Re-elect Roy Mackenzie as Director | FOR | FOR |
| 9 | Re-elect Rick Medlock as Director | FOR | FOR |
| 10 | Re-elect Steve Munford as Director | FOR | FOR |
| 11 | Re-elect Vin Murria as Director | FOR | FOR |
| 12 | Re-elect Paul Walker as Director | FOR | FOR |
| 13 | Reappoint KPMG LLP as Auditors | FOR | AGAINS T |
| 14 | Authorise the Audit and Risk Committee to Fix Remuneration of Auditors | FOR | AGAINS T |
| 15 | Authorise EU Political Donations and Expenditure | FOR | FOR |
| 16 | Authorise Issue of Equity with Pre-emptive Rights | FOR | FOR |
| 17 | Authorise Issue of Equity without Pre-emptive Rights | FOR | FOR |
| 18 | Authorise Issue of Equity without Pre-emptive Rights in Connection with an Acquisition or Other Capital Investment | FOR | FOR |
| 19 | Authorise Market Purchase of Ordinary Shares | FOR | FOR |
| 20 | Authorise the Company to Call General Meeting with Two Weeks' Notice | FOR | FOR |

Resolution 1: We elected to vote against this proposal as we hold that Boards that are diverse are more able to draw on a wide range of skills, competence and diversity of perspectives and are therefore better able to challenge, debate and fulfil their oversight responsibilities, and generate and preserve shareholder value. The Company is a constituent of the FTSE 250 index and has fewer than 30% of women on the Board, this is below our minimum threshold on gender balance.

Resolution 2: We elected to vote against this proposal as we hold the remuneration policy and practice is too short term with opaque targets and the quantum is excessive. The overall

remuneration framework is significantly weighted towards shorter term performance and despite a significant dissent at previous AGM, no notable progress over shareholder concerns identified; the large majority of both the annual bonus and PSU awards are measured against billings and EBITDA performance conditions which is likely to result in Directors being rewarded twice for the achievement of the same (short term) performance; and limited prospective disclosure of LTIP targets.

Resolutions 13 & 14: We elected to vote against these proposals as the company has retained the same audit firm in excess of ten years. Mandatory auditor rotation is an effective mechanism for mitigating the potential risks borne by long-term auditor-client relationships, and is a safeguard against improper audits.

| NIKE, Inc. | | | |
|--|--|---------------------------|---------|
| MEETING TYPE: | Annual General Meeting | | |
| MEETING DATE: | 20 September 2018 | | |
| ITEM | PROPOSAL | MANAGEMENT RECOMMENDATION | VOTE |
| 1 | Elect Director Alan B. Graf, Jr. | FOR | FOR |
| 2 | Elect Director John C. Lechleiter | FOR | FOR |
| 3 | Elect Director Michelle A. Peluso | FOR | FOR |
| 4 | Advisory Vote to Ratify Named Executive Officers' Compensation | FOR | AGAINST |
| 5 - S | Report on Political Contributions Disclosure | AGAINST | FOR |
| 6 | Ratify PricewaterhouseCoopers LLP as Auditors | FOR | AGAINST |
| <p>Resolution 4: We expect executive pay and company performance to be reasonably aligned. Therefore, we believe that long-term incentives should be based predominantly on performance and we will consider the CEO equity pay mix (performance-based equity vs. time-based) as part of our voting decision. Less than 75% of long term incentive awards are performance based, hence there are concerns about linkage between pay and performance. In line with we policy on Share Plans, performance targets should be disclosed (for both short and long term incentives) and be sufficiently stretching. Performance targets are not applied for incentive schemes (none of the</p> | | | |

CEO's equity awards in FY2018 are tied to performance goals). We are typically opposed to discretionary payments. Discretionary payments have been made (sizable discretionary cash and stock awards for NEOs) and without proper justification by the Company we are typically opposed to discretionary payments. Appropriate vesting levels are expected and the dilution of share schemes should adhere to recommended guidelines. Outstanding options equate to 11.73% of issued share capital which exceeds our limit of 10% (in place because of the potential dilutive impact of share options).

Resolution 6: We elected to vote against this proposal as the company has retained the same audit firm in excess of fifteen years. Mandatory auditor rotation is an effective mechanism for mitigating the potential risks borne by long-term auditor-client relationships, and is a safeguard against improper audits.

HELLA GmbH & Co. KGaA

MEETING TYPE: Annual General Meeting

MEETING DATE: 28 September 2018

| ITEM | PROPOSAL | MANAGEMENT RECOMMENDATION | VOTE |
|------|--|---------------------------|---------|
| 1 | Accept Financial Statements and Statutory Reports for Fiscal 2017/2018 | FOR | ABSTAIN |
| 2 | Approve Allocation of Income and Dividends of EUR 1.05 per Share | FOR | FOR |
| 3 | Approve Discharge of Personally Liable Partner for Fiscal 2017/2018 | FOR | FOR |
| 4 | Approve Discharge of Supervisory Board for Fiscal 2017/2018 | FOR | FOR |
| 5 | Approve Discharge of Shareholders' Committee for Fiscal 2017/2018 | FOR | FOR |
| 6 | Ratify PricewaterhouseCoopers GmbH Wirtschaftspruefungsgesellschaft, Bremen as Auditors for Fiscal 2018/2019 | FOR | FOR |

Resolution 1: We elected to abstain on his proposal as we hold that Boards that are diverse are more able to draw on a wide range of skills, competence and diversity of perspectives and are therefore better able to challenge, debate and fulfil their oversight responsibilities, and generate and preserve shareholder value. The Company has fewer than 30% of women on the Board and we are therefore unable to support the resolution however we note the level is close and have determined to abstain on the adoption of the annual report and accounts.



- * ISS Guidelines applied
- ** Dual Holding - vote instruction may differ