

DERBYSHIRE COUNTY COUNCIL
PENSIONS and INVESTMENTS COMMITTEE

12 December 2017

Report of the Director of Finance & ICT

VOTING ACTIVITY

1 Purpose of the Report

To review the Fund's voting activity for the period 17 August 2017 to 22 November 2017.

2 Information and Analysis

Details of the Fund's UK voting activity for the period 17 August 2017 to 22 November 2017 are shown in Appendix 1. Votes against management proposals are shown in Appendix 2. In each case, a "for" vote was carried with the exception of the Redrow plc resolution which was rejected by the shareholders. The resolution related to a waiver which would have allowed the majority shareholder to gain greater control of the company without the payment of a premium to other shareholders.

At the last Pensions and Investments Committee in November 2017, the Committee asked to see comparable voting activity information in respect of the Fund's US equities which are managed through a segregated mandate with an external manager. Discussions have taken place with the manager and this information will form part of the quarterly report from March 2018 onwards.

3 Other Considerations

In preparing this report the relevance of the following factors has been considered: financial, legal and human rights, human resources, equality and diversity, health, environmental, transport, property, social value and prevention of crime and disorder considerations.

4 Officer's Recommendation

That the report be noted.

PETER HANDFORD
Director of Finance & ICT

Voting Activity 17 August 2017 to 22 November 2017**Appendix 1**

Company	Meeting Date	Meeting Type
NB Private Equity Partners Ltd	24-Aug-17	Annual
Stagecoach Group plc	25-Aug-17	Annual
Aberdeen New Dawn Investment Trust PLC	30-Aug-17	Annual
Micro Focus International plc	04-Sep-17	Annual
DS Smith Plc	05-Sep-17	Annual
Dixons Carphone plc	07-Sep-17	Annual
Greene King plc	08-Sep-17	Annual
Diageo plc	20-Sep-17	Annual
NCC Group plc	21-Sep-17	Annual
NCC Group plc	21-Sep-17	Special
Land Securities Group plc	27-Sep-17	Special
PZ Cussons Plc	27-Sep-17	Annual
BHP Billiton plc	19-Oct-17	Annual
Pantheon International Plc	30-Oct-17	Special
Pantheon International Plc	30-Oct-17	Special
Schroder Japan Growth Fund plc	02-Nov-17	Annual
Genesis Emerging Markets Fund Limited	06-Nov-17	Annual
Redrow plc	09-Nov-17	Annual
Kier Group plc	17-Nov-17	Annual

Votes Against Management Report

Reporting Period: 08/17/2017 to 11/21/2017

Stagecoach Group plc

Meeting Date: 08/25/2017

Country: United Kingdom

Meeting Type: Annual

Voting Policy: ISS

Proposal Number	Proposal Text	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
2	Approve Remuneration Report	For	Against	Against	Against

Voting Policy Rationale: A vote AGAINST the remuneration report is warranted given the continued poor disclosure of bonus targets, particularly in respect of the personal objectives and given the relatively high outcomes in a year where the majority of financial targets were not met and the share price has fallen by 28%.

Dixons Carphone plc

Meeting Date: 09/07/2017

Country: United Kingdom

Meeting Type: Annual

Voting Policy: ISS

Proposal Number	Proposal Text	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
10	Re-elect Jock Lennox as Director	For	Against	Against	Against

*Voting Policy Rationale: Items 4-9 and 11-13A vote FOR these Directors is warranted as no significant concerns have been identified. Item 10A vote AGAINST the re-election of Jock Lennox is warranted: * In addition to being a NED at Dixons Carphone plc, Jock Lennox is also Chairman of two listed companies and a NED of another listed company. These significant external time commitments may undermine his ability to serve effectively in his role as NED.*

Redrow plc

Meeting Date: 11/09/2017

Country: United Kingdom

Meeting Type: Annual

Voting Policy: ISS

Proposal Number	Proposal Text	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
16	Approve Waiver on Tender-Bid Requirement	For	Against	Against	Against

Voting Policy Rationale: A vote AGAINST this proposal is warranted as this resolution may give effect to creeping control, allowing the major shareholder to gain greater control of the Company without the payment of a premium to other shareholders.

Votes Against Management Report

Reporting Period: 08/17/2017 to 11/21/2017

Kier Group plc

Meeting Date: 11/17/2017 Country: United Kingdom
Meeting Type: Annual

Voting Policy: ISS

Proposal Number	Proposal Text	Mgmt Rec	ISS Rec	Voting Policy Rec	Vote Instruction
3	Approve Remuneration Report	For	Against	Against	Against

Voting Policy Rationale: A vote AGAINST this item is warranted on account of: Quantum increase in maximum bonus potential for the Group CEO along with a fourth consecutive year of above inflationary salary increase.*