

Introduction

Standard Life Investments is a strong supporter of the principles of good stewardship that are set out in the UK Stewardship Code published by the Financial Reporting Council in July 2010 and revised in September 2012. We believe that it is mutually beneficial for companies and long-term investors such as Standard Life Investments to have a relationship based on accountability, engagement and trust. Such a relationship helps to ensure that each has a good understanding of the other's views and expectations and it enables us to exercise constructive influence as and when appropriate. We believe that this serves to enhance the long-term value of our clients' investments and to protect their interests when necessary.

Engagement Profile

Standard Life Investments recognises the importance of effective communication. We generally meet representatives of investee companies at least once a year. These meetings enable us to review corporate progress and prospects. They provide us with an opportunity to ask questions and to challenge constructively strategic and other issues that may influence the value of our clients' investments.

More specifically, as part of our stewardship monitoring, our Governance & Stewardship team has a regular engagement programme to discuss a range of relevant corporate governance issues including board balance and composition, remuneration policies, and audit and risk issues. This programme ensures engagements are planned on a systematic basis using specific criteria to identify target companies. We will generally meet with board level representatives and, for significant holdings or where it is otherwise appropriate, we will meet with the Chairman. In addition, our Responsible Investment (RI) team meet with investee companies in relevant industries and sectors on a planned basis to discuss a range of environmental, social and governance issues.

When we identify issues that we believe are not consistent with the best interests of our clients, we shall engage with the board of the investee company with a view to ensuring it is aware of our views and, when appropriate, to achieving a satisfactory resolution. In this regard we shall consider carefully explanations given for departures from the UK Corporate Governance Code.

Engagement summary

Total number of Governance & Stewardship engagements	206
1-1 meeting	19
Collective meeting	3
Investment meeting	5
Ongoing remuneration consultation	77
Ongoing voting engagement	5
Other engagement	35
Remuneration consultation	31
Voting engagement	31

*Please note that 'Other engagement' can include emails, letters and phone calls.

Below is a complete list of all companies that our Governance and Stewardship team have met with on a 1 to 1 basis this quarter. Note that we may engage with the same company more than once during the quarter.

Topics discussed						
	Board Composition & Development	Strategy	Audit & Control	Remuneration	Structural Governance	Other
Anadarko Petroleum Corp	✓			✓		✓
Bwin.Party Digital Entertainment plc	✓	✓				
Capital & Regional plc	✓	✓				
EMIS Group plc	✓	✓				
Esure Group plc	✓	✓	✓			
Grainger plc	✓	✓	✓	✓		
Greene King plc		✓	✓	✓		
International Consolidated Airlines Group	✓	✓	✓			
Keller Group plc	✓	✓	✓	✓		
Latchways plc	✓	✓		✓		
Legal & General Group plc	✓	✓	✓	✓		
Lloyds Banking Group plc	✓	✓	✓	✓	✓	
Mitchells & Butlers plc	✓					
Prudential plc	✓			✓		✓
SuperGroup plc	✓	✓	✓	✓	✓	
UBM plc	✓	✓	✓	✓		
Wirecard AG	✓	✓	✓			

Contact us

To find out more about our fund range, visit our website standardlifeinvestments.com. Alternatively, please speak to your usual contact at Standard Life Investments.

Useful numbers

Market information

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Customer information

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standardlifeinvestments.co.uk

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Calls may be monitored and/or recorded to protect both you and us and help with our training.

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