

ASN Beleggingsfondsen Beheer (ABB) Voting Behaviour – Q3 2015

A summary of Q3 2015 voting for ABB is displayed below.

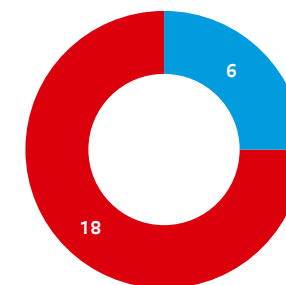
	Q1	Q2	H1	Q3	Q4	Annual
Total Meetings Voted	30	122	152	24		176
Voted For Management	7	28	35	6		41
Voted Against Management ¹	23	94	117	18		135
Total Management Resolutions	336	1,685	2,021	330		2351
Votes For	287	1,365	1,652	293		1945
Votes Against	48	317	365	37		402
Votes Abstain	1	3	4	0		4
Total Shareholder Resolutions	3	17	20	1		21
Votes For	3	11	14	1		15
Votes Against	0	6	6	0		6
Votes Abstain	0	0	0	0		0
Total Resolutions	339	1,702	2,041	331		2372
Votes For	290	1,376	1,666	294		1960
Votes Against	48	323	371	37		408
Votes Abstain	1	3	4	0		4

¹ Opposed management on at least one resolution.

In Q3 2015 we voted a total of 24 company meetings in the ABB accounts which were held by 24 companies. ABB's voting policy was applied to all voting decisions made. We voted with management recommendations at 25 percent of the meetings and voted against management recommendations on at least one resolution at the remaining 75 percent of the meetings.

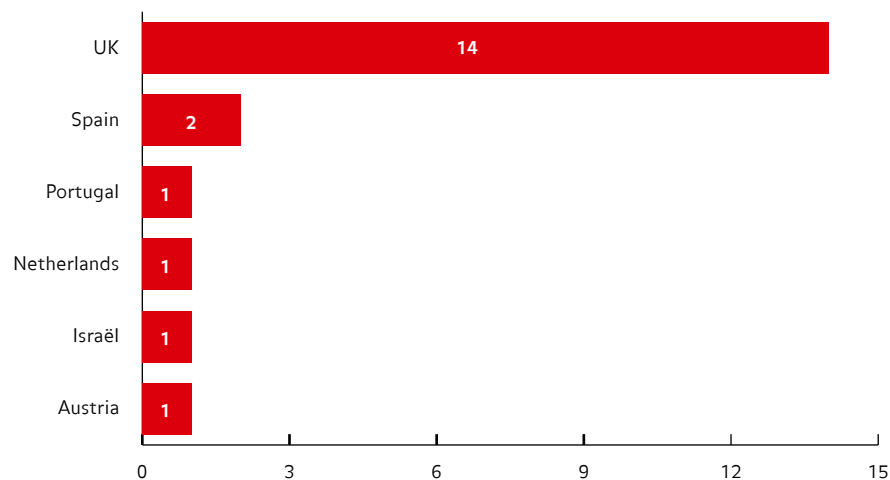
Total Meetings Voted For/Against Management

For Management	25%
Against Management	75%

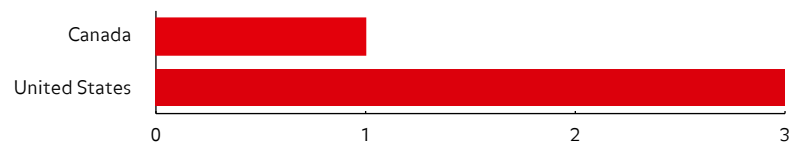


Out of the 24 meetings voted during Q3 2015, 20 meetings were voted in Europe, 4 meetings were voted in the Americas and there were no meetings in Asia. The two charts below display the meeting distribution by country in each region.

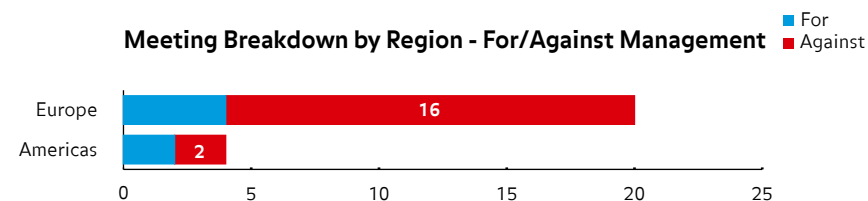
Meeting Distribution by Country - Europe



Meeting Distribution by Country - Americas



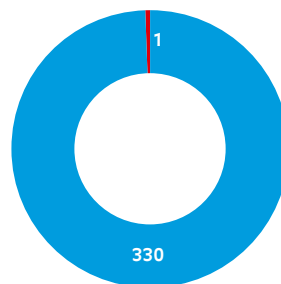
The chart below shows meetings voted by region and broken down by votes cast for and against.



A total of 331 voting resolutions were reviewed and voted, of which 330 were management resolutions and 1 was a shareholder resolution. As illustrated in the second chart below, we did not support 11 percent of all resolutions.

Type of Resolution - Management/Shareholder

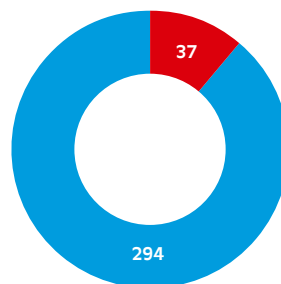
Management Resolutions	99,7%
Shareholder Resolutions	0,3%



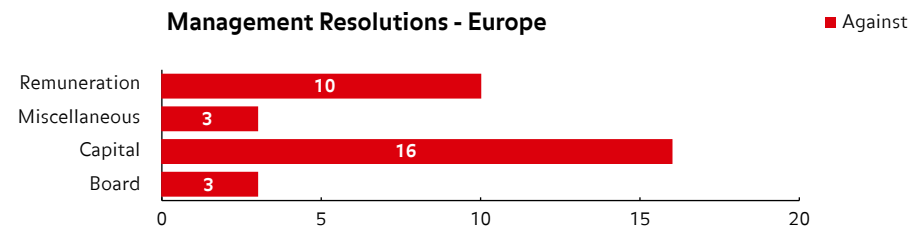
A total of 37 management resolutions were not supported during H1 2015. The breakdown of these resolutions by region, type of resolution and the vote cast is provided in the charts below.

Resolutions - Votes For /Against

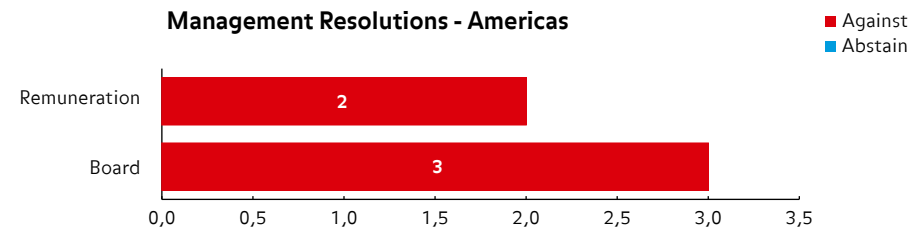
For	89%
Against	11%



Negative Voting Breakdown Management Resolutions - Europe



Negative Voting Breakdown Management Resolutions - Americas



There was one shareholder resolution at a company in the ABB portfolio in the Americas in Q3 2015². No shareholder resolutions were put forward at companies in Europe or Asia.

² At the Nike Inc (USA) AGM on 17 September a shareholder proposal was put forward on reporting of political contributions.

ASN Beleggingsfondsen Beheer (ABB) Voting Themes and Case Studies

Q3 2015

While Q3 may be a quieter quarter for shareholder meetings after the packed schedule of Q2, the wider economic landscape has not stood still. For investors like ABB, that have a strong awareness of the natural environment and an ambitious target to become CO2 neutral, the climate change summit taking place in Paris in December is looming large. If governments reach a global agreement to limit carbon emissions at this meeting, it may lead to additional pressure on individual companies to bring down their own emissions. Concern about the changing climate has also strengthened the focus on the related challenge of water scarcity around the world. Shareholders and companies are finding new ways to assess which industries use the most water and to evaluate risks related to water consumption and scarcity. In September 2015 the way in which society now places a price on environmental pollution has been dramatically illustrated by the scandal at Volkswagen: the US Environmental Protection Agency has discovered that the company has fitted devices to new cars so that their fuel-burning emissions look much lower in laboratories than the real level on the road. This has led to the recall of millions of cars, a big fall in the company's share price and the resignation of the CEO Martin Winkerhorn.

ABB only invests in companies in the transport sector which perform strongly in the area of sustainability, and has therefore not acquired shares in Volkswagen. However, events at Volkswagen highlight how weakness in corporate governance may expose companies to greater financial and environmental risk. Accordingly, some of the case studies we highlight in Q3 illustrate how companies are putting systems in place to manage environmental as well as social risk. Other case studies look at the membership of the board of directors. ABB believes that a balanced board can supervise the management of the company more effectively.

Europe

UK managers aiming for sustainability – and not just profit

Severn Trent plc, AGM 15 July 2015; The British Land Company Plc, AGM 21 July 2015; Stagecoach Group plc, AGM 28 August 2015

Senior managers at large corporations are often paid handsomely for their work, in cash and shares. ABB is only prepared to support executive pay packages if they are tied in part to the sustainability of the company, and not simply to the company's financial performance. While we are often obliged to send a signal to companies that focus too narrowly on financial indicators by voting against the report on directors' remuneration at their general meeting, we would like this quarter also to highlight some UK companies that seem to recognise that their responsibilities run deeper than the current share price.

Severn Trent provides and treats water in the UK and internationally. In 2015, bonuses for the CEO Liv Garfield and other senior executives were based on a wide range of targets. Some of these were traditional financial targets, such as cost management, while a number of others took into account the interests of employees (for instance, health and safety incidents), customers (such as the number of complaints) and the environment (like pollution incidents). This was one of the factors that led ABB to support the company's remuneration report at the AGM, along with 99 percent of shareholders.

Meanwhile, **British Land** manages, finances and develops commercial property, including warehouses and shopping centres. This sector may exert a significant impact on local communities, such as through construction practices, and on the environment, by consuming energy and generating waste. It is therefore encouraging to see that

2016 bonuses for executives will depend not only on 'hard' figures, such as the growth in rents, but also on more intangible, but nonetheless important measures, such as maintaining the company's reputation in the community and delivering sustainability objectives. ABB's support for the company's remuneration report was shared with 98 percent of shareholders.

Lastly, and in a different industry again, **Stagecoach** provides bus and train services in the UK and North America. CEO Martin Griffiths received a total pay package of £1.5 million in 2015, including a bonus worth £400,000. Given the nature of the business, it seems fitting that the company has included health and safety performance as one of the objectives on the CEO's bonus scorecard, alongside commercial development and profitability. Once again, ABB lent its support to the remuneration report resolution, in common with 99 percent of investors.

ABB considers that such strong displays of support from across the shareholder base helps to reinforce the progressive approach to determining rewards for top managers that these companies display.

Board composition under scrutiny

The recent developments at Volkswagen have made a resounding case for the need of strong board guidance in companies with complex and far-reaching operations. Ironically, many of those companies are still highly influenced by dominant shareholders, which may make it difficult to ensure that the right non-executive directors are in place to provide the necessary expertise and stringent oversight. In board elections during Q3 2015, we have attempted to support board diversity and minority shareholder representation, while opposing resolutions that would result in curtailing shareholder rights.

AT&S Austria Technologie & Systemtechnik, AGM 9 July 2015 (Austria) and Industria de Diseno Textil, SA, 14 July 2015 (Spain)

Two shareholder representatives stood for election to the board of Austrian semiconductor manufacturer **AT&S Austria Technologie & Systemtechnik**. A particularly

worrying development was that the Chair, who had already sat on the board for 20 years, was nominated for another five year term. Besides holding 16.3 percent of the company's shares via a private foundation, he also chairs the remuneration and nomination committees, and is a former executive. There is little counter-balance on the board for his influence, as only one of the four independent directors participates in any of the board committees. In this context, the introduction of a performance-based element to non-executive director remuneration sends the wrong signal to shareholders, although the amounts involved are very modest. We therefore opposed this resolution, as well as the re-election of the Chair.

Although two major shareholders control around 40 percent of the company, we anticipate that our vote might have the impact of alerting the company that board refreshment, in particular structured succession of the chair, ought to be a priority. However considering that support for the chair, as well as for the other major shareholder, remained at levels at above 95 percent, it is probable that targeted shareholder engagement may be necessary to create sufficient awareness of the issue at board level.

We also opposed the re-election of CEO and Chair Pablo Isla Alvarez de Tejera at the general meeting of Spanish multinational clothing company **Industria de Diseno Textil, SA**, as we discourage the combination of these two roles, and furthermore, the board does not include a lead independent director, who may represent the views of minority shareholders and counter-balance the concentration of power in the hands of the Chair.

The company also proposed an amendment to the bylaws which would transfer the right to borrow money by, for example, issuing bonds from shareholders to the board of directors. We did not support this resolution because it represents a reduction of the rights of shareholders. All resolutions passed at the meeting, which is not a surprise, given the comparatively low level of ownership of minority shareholders. It is nonetheless worthwhile that minority shareholders have taken a stand to preserve their rights in this way.

Asia

Trina Solar Limited, AGM 4 August 2015 (China)

ABB considers gender diversity to be an important element of board balance as well as a sign of a fair staff recruitment and promotion policy. In the absence of any female members of the board, ABB opposed the election of the two new directors standing for election, in line with their voting policy. As the company does not disclose the exact percentages of votes for and against resolutions, it is at this point not possible to accurately assess the impact of our votes. However, we envisage that continuing action by international investors may contribute towards putting gender diversity on the Chinese corporate governance agenda.

ASN Beleggingsfondsen Beheer (ABB) Q3 2015 Voting Appendix

<i>Company Name</i>	<i>Meeting Type</i>	<i>Item</i>	<i>Proposal</i>	<i>Type</i>	<i>Vote</i>	<i>For/Against Management</i>	<i>Comment</i>
Accsys Technologies Plc	Annual General Meeting	11	To authorise the company to make market purchases of its own ordinary shares	Management	Against	Against	Share repurchases are not supported in the present economic climate.
Ashtead Group Plc	Annual General Meeting	2	Approval of directors remuneration report excluding remuneration policy	Management	Against	Against	The compensation policy does not include metrics linked to sustainability and a vote against the remuneration report is therefore warranted as well.
Ashtead Group Plc	Annual General Meeting	17	Authority for the company to purchase its own shares	Management	Against	Against	Share repurchases are not supported in the present economic climate.
AT &S Austria Technologie & Systemtechnik AG	Ordinary General Meeting	5	Remuneration for supervisory board	Management	Against	Against	Members of the supervisory board receive performance-related variable pay, which we consider may compromise the independence of those directors designated independent. We therefore recommend a vote against.
AT &S Austria Technologie & Systemtechnik AG	Ordinary General Meeting	7	Elections to supervisory board	Management	Against	Against	Four directors are proposed for election at the same time, including the Chairman Hannes Androsch and Will Doerflinger who represents a significant shareholder. As the Chairman is not independent and the level of independent representation on the board is inadequate in our view, we recommend a vote against.
AT &S Austria Technologie & Systemtechnik AG	Ordinary General Meeting	9	Buyback of own shares	Management	Against	Against	Share repurchases are not supported in the present economic climate.
AT &S Austria Technologie & Systemtechnik AG	Ordinary General Meeting	10	Usage of own shares	Management	Against	Against	This use of this share issuance authority depends on the repurchase of shares, which ABB does not support in the current economic climate.

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British Land Co Plc R.E.I.T.	Annual General Meeting	21	To authorise the company to purchase its own shares	Management	Against	Against	Share repurchases are not supported in the present economic climate.
DS Smith Plc, London	Annual General Meeting	3	To approve the annual report on remuneration	Management	Against	Against	The compensation policy does not include metrics linked to sustainability and a vote against is therefore warranted.
DS Smith Plc, London	Annual General Meeting	16	To renew the authority for the company to purchase its own ordinary shares	Management	Against	Against	Share repurchases are not supported in the present economic climate.
Industria De Diseno Textil S.A., Arteixo	Annual General Meeting	4.A	Re-election of Mr Pablo Isla Alvarez de Tejera, as executive director	Management	Against	Against	We have concerns about the low level of independence at board level.
Industria De Diseno Textil S.A., Arteixo	Annual General Meeting	4.B	Re-election of Mr Amancio Ortega Gaona, as non-executive proprietary director	Management	Against	Against	We have concerns about the low level of independence at board level.
Industria De Diseno Textil S.A., Arteixo	Annual General Meeting	5.C	Amendment of the articles of association to adjust its contents to the terms of act 31/2014, of 3 December, amending the act on capital companies to improve corporate governance and of act 5/2015 of 27 April on promotion of corporate financing, and to encompass improvements in the area of good governance as well as technical ones: amendment of chapter iii ("governing bodies of the company")	Management	Against	Against	We have concerns that these amendments may have a negative impact on minority shareholder rights.
Industria De Diseno Textil S.A., Arteixo	Annual General Meeting	5.E	Amendment of the articles of association to adjust its contents to the terms of act 31/2014, of 3 December, amending the act on capital companies to improve corporate governance and of act 5/2015 of 27 April on promotion of corporate financing, and to encompass improvements in the area of good governance as well as technical ones: approval of the revised text of the articles of association	Management	Against	Against	We have concerns that these amendments may have a negative impact on minority shareholder rights.

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Industria De Diseno Textil S.A., Arteixo	Annual General Meeting	6	Approval of the revised text of the regulations of the general meeting of shareholders to adjust its contents to the terms of act 31/2014, of 3 December, amending the act on capital companies to improve corporate governance and of act 5/2015 of 27 April on promotion of corporate financing, and to encompass improvements in the area of good governance as well as technical ones	Management	Against	Against	We have concerns that these amendments may have a negative impact on minority shareholder rights.
Johnson Matthey Plc	Annual General Meeting	2	To approve the directors remuneration report other than the part containing the directors remuneration policy for the year ended 31st March 2015	Management	Against	Against	The compensation policy does not include metrics linked to sustainability and a vote against is therefore warranted.
Johnson Matthey Plc	Annual General Meeting	19	To authorise the company to make market purchases of its own shares	Management	Against	Against	Share repurchases are not supported in the present economic climate.
Kcom Group Plc	Annual General Meeting	3	To approve the directors' remuneration report	Management	Against	Against	The compensation policy does not appear to include metrics related to sustainability and a vote against is therefore warranted.
Kcom Group Plc	Annual General Meeting	15	Authorise the company to make market purchases of its ordinary shares	Management	Against	Against	Share repurchases are not supported in the present economic climate.
Land Securities Group Plc R.E.I.T, London	Annual General Meeting	2	To approve the directors remuneration policy report	Management	Against	Against	Implementation of the remuneration policy led to an approximately twofold increase in executive pay-outs. At the same time, total shareholder return remained relatively flat, and there therefore seems to be a misalignment between returns to shareholders and executive rewards.
Land Securities Group Plc R.E.I.T, London	Annual General Meeting	3	To approve the directors remuneration annual report	Management	Against	Against	Implementation of the remuneration policy led to an approximately twofold increase in executive pay-outs. At the same time, total shareholder return remained relatively flat, and there therefore seems to be a misalignment between returns to shareholders and executive rewards.

<i>Company Name</i>	<i>Meeting Type</i>	<i>Item</i>	<i>Proposal</i>	<i>Type</i>	<i>Vote</i>	<i>For/Against Management</i>	<i>Comment</i>
Land Securities Group Plc R.E.I.T, London	Annual General Meeting	20	To authorise the company to make market purchases of its own shares	Management	Against	Against	Share repurchases are not supported in the present economic climate.
Marks And Spencer Group Plc, London	Annual General Meeting	21	Authorise purchase of own shares	Management	Against	Against	Share repurchases are not supported in the present economic climate.
Nike, Inc.	Annual	1.	Director	Management	Withheld	Against	We have concerns over the candidate's aggregate time commitments.
Nike, Inc.	Annual	2.	To approve executive compensation by an advisory vote.	Management	Against	Against	The compensation policy does not appear to include metrics related to sustainability and a vote against is therefore warranted.
Nike, Inc.	Annual	4.	To re-approve the executive performance sharing plan as amended.	Management	Against	Against	The plan does not include metrics related to sustainability and a vote against is therefore warranted.
Nike, Inc.	Annual	6.	To consider a shareholder proposal regarding political contributions disclosure.	Shareholder	For	Against	Approval of the proposal would enhance shareholder rights.
Severn Trent Plc, Birmingham	Annual General Meeting	18	To authorise purchase of own shares	Management	Against	Against	Share repurchases are not supported in the present economic climate.
Shanks Group Plc, Glasgow	Annual General Meeting	2	To approve the annual report on directors' remuneration for the year ended 31 March 2015	Management	Against	Against	The compensation policy does not include metrics related to sustainability and a vote against is therefore warranted.
Shanks Group Plc, Glasgow	Annual General Meeting	16	To authorise the company to make market purchases of its own ordinary shares	Management	Against	Against	Share repurchases are not supported in the present economic climate.
Stagecoach Group Plc, Perth Perthshire	Annual General Meeting	19	To authorise the company to make market purchases of ordinary shares	Management	Against	Against	Share repurchases are not supported in the present economic climate.

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The Berkeley Group Holdings Plc, Cobham	Annual General Meeting	2	To approve the annual report on remuneration for the financial year ended 30 April 2015	Management	Against	Against	The compensation policy does not include metrics linked to sustainability and a vote against is therefore warranted.
The Berkeley Group Holdings Plc, Cobham	Annual General Meeting	20	To authorise the company to make market purchases of its own shares	Management	Against	Against	Share repurchases are not supported in the present economic climate.
Trina Solar Limited	Annual	1.	Re-election of Mr. Sean Shao as a director of the company.	Management	Against	Against	There are no female members of the board, and we therefore recommend a vote against all nominees, in accordance with guidelines.
Trina Solar Limited	Annual	2.	Re-election of Mr. Zhiguo Zhu as a director of the company.	Management	Against	Against	There are no female members of the board, and we therefore recommend a vote against all nominees, in accordance with guidelines.
United Utilities Group Plc, Warrington	Annual General Meeting	16	To authorise the company to make market purchases of its own shares	Management	Against	Against	Share repurchases are not supported in the present economic climate.
Vodafone Group Plc, Newbury	Annual General Meeting	14	To approve the remuneration report of the board for the year ended 31 March 2015	Management	Against	Against	The compensation policy does not include metrics linked to sustainability and a vote against is therefore warranted.
Vodafone Group Plc, Newbury	Annual General Meeting	19	To authorise the company to purchase its own shares	Management	Against	Against	Share repurchases are not supported in the present economic climate.