

SURVEY OF FUND MANAGERS' ENGAGEMENT WITH COMPANIES

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Prepared by:

Liz Murrall
Investment Management Association
65 Kingsway
London
WC2B 6TD

PREFACE

The last few years have seen significant scrutiny of the way institutional fund managers oversee the companies in which they invest. This survey is the first comprehensive exercise by the Investment Management Association to measure the true extent of managers' engagement. It follows the launch by the Institutional Shareholders' Committee (ISC) of its Statement of Principles on the responsibilities of institutional shareholders and agents in late 2002.

The picture that emerges is one of solid progress towards more systematic and transparent engagement by managers. When the survey was carried out last year, 28 of the 33 fund managers surveyed had clear policy statements on engagement, half of which were public documents. The other five managers had policies in draft.

Fund managers take different approaches to meeting the ISC Statement of Principles. But the scale of the commitment is generally much greater than a few years ago. Many fund managers retain corporate governance specialists, while integrating engagement, which often takes the form of informal communication, into the investment process. It is significant that the majority of firms surveyed had a policy to vote all their UK shares and would not automatically support an investee company's Board.

The results clearly show that shareholder activism is here to stay. It is also evident that progress critically depends on a constructive dialogue between fund managers and companies' management - and this best takes place discreetly rather than publicly in the media or elsewhere. Given the importance of this engagement to the end beneficiaries, to companies and to our members, the IMA will continue to monitor and report on progress.

Richard Saunders
Chief Executive

INTRODUCTION

The Institutional Shareholders' Committee's Statement of Principles

The Institutional Shareholders' Committee¹ (ISC) issued a Statement of Principles on the Responsibilities of Institutional Shareholders and Agents (the Statement) in October 2002. This was in response to the Government's proposals for legislation to cover institutional investors' engagement with investee companies.

The Statement extended existing guidance, which up to then focused mainly on matters of corporate governance, and set out best practice in relation to the broader issues surrounding the way in which investee companies are run, to encourage the highest standards of engagement by institutional investors. The Statement governs the responsibilities of institutional shareholders, including pension funds, insurance companies, investment trusts and other collective investment vehicles, and the fund managers that act as their agents and invest on their behalf. It applies to members of the associations that belong to the ISC which between them account for the overwhelming majority of institutional investment in the UK.

The Statement recommends that institutional investors should, in relation to the UK companies in which they invest:

- maintain and publish a statement of their policies in respect of their engagement;
- monitor the performance of and maintain an appropriate dialogue with these companies;
- intervene where necessary;
- evaluate the impact of their policies; and
- in the case of fund managers, report back to their clients on whose behalf they invest.

A copy of the Statement is set out at Appendix 1.

The IMA and why it is conducting the survey

The IMA is the trade body that represents the UK fund management industry, representing approximately £2 trillion funds under management (over £1 trillion is invested in UK equities) and over 99% of the UK investment funds industry (unit trusts and oeics). Its members act as agents, who are appointed by retail and institutional investors (e.g. pension funds, insurance companies, investment trusts and other collective investment vehicles) to invest on their behalf. In so doing, IMA members are major investors in companies whose securities are traded on regulated markets and engage with those companies, enter into an active dialogue and decide how their shares will be voted on the principals' behalf.

The IMA initiated this survey to discover the extent to which its members are complying with the Statement and engage with investee companies to meet their needs as investors and to satisfy the Government's objectives.

¹ The members of the ISC are: the Association of British Insurers; the Association of Investment Trust Companies; the National Association of Pension Funds; and the Investment Management Association.

The survey covers fund managers monitoring of investee companies, voting investee companies' shares, interacting by other means and informing their clients of their policy and engagement. The methodology used in the survey is set out in Appendix 2.

This report

This report sets out the results of the first survey and covers the quarter ended 30 June 2003. The Executive Summary which follows sets out the key findings and section 1, the profile of the firms surveyed. The other sections cover the firms' compliance with the Statement and:

- their policy statements (section 2);
- how they structure and approach the monitoring of and interaction with investee companies (section 3);
- their voting of investee companies' shares² (section 4);
- their interaction with investee companies through other means (section 5); and
- their evaluation and reporting (section 6).

It is proposed that a second survey is completed for the year ending 30 June 2004.

² In this report, voting investee companies' shares is taken to refer to the process whereby fund managers appoint proxies and submit voting instructions which may be implemented (often only if a poll is called) at a shareholders' meeting even though the manager is not physically present.

EXECUTIVE SUMMARY

This report covers the activities of 33 UK fund managers and how they discharged their responsibilities in relation to the UK companies in which they invest in the quarter ended 30 June 2003. As at 30 June 2003 within the UK these firms managed UK equities with an estimated value of £480 billion (2002: £610 billion) out of an estimated total of £897 billion (2002: £1,044 billion) and thus account for 53 per cent of all UK equities managed (2002: 58 per cent).

The principal findings are set out below.

- **The population was not homogenous.** Each of the 33 firms surveyed was structured slightly differently and was at a different stage in implementing the Statement of Principles. However, constructive changes were being, and continue to be, made to satisfy clients that are becoming more demanding in this area. Also, much engagement was qualitative as well as quantitative and the level of record keeping in relation to the former varied. The examples in this report reflect those activities that have been recorded and reported and thus may not reflect all engagement undertaken in the quarter.
- **All firms monitored and interacted with investee companies.** All the firms monitored and interacted with investee companies in one way or another. They monitored investee companies on an ongoing basis, voted investee companies' shares, interacted by other means and if necessary, escalated matters. Their engagement related to three principal areas in an investee company: strategy and performance; socially responsible investment; and conventional corporate governance, such as Board structure and remuneration.
- **All firms had a policy statement on how they discharge their responsibilities.** All 33 firms surveyed had a statement, albeit in five instances the statement was still in draft. The 23 statements provided to us, or which were obtained from the web, tended to address the majority of the matters set out in the Statement of Principles. Fourteen firms had made their policy statements public by publishing all or part of it on the web.
- **Engagement was integrated with the investment process.** The majority of the firms integrated engagement with the investment process even if, due to the specialist knowledge required, particular individuals took responsibility for certain aspects, for example, for socially responsible investment and/or for corporate governance.
- **All the firms monitored investee companies on an ongoing basis.** All the firms undertook the desk based monitoring envisaged in the Statement of Principles. In addition, the firms met with an investee companies' management at least once, and up to as many as five to six times, in a year – some did this before they invested in a company as part of their general research function for others it was part of the post results review meeting.
- **The majority of the firms surveyed had a policy to vote all their UK shares and would not automatically support an investee company's Board.** One of the main means by which firms interacted with investee companies

was through voting their shares. Thirty-one of the firms surveyed had a policy to vote all their UK shares and, where possible, international shares. The 21 firms that completed this part of the questionnaire had on average an interest in 574 UK investee companies as at 30 June 2003. On average these companies had 268 meetings in the quarter at which votes were cast, i.e. 46.7 per cent of the average number of investee companies on the assumption that each investee company had one meeting. (This quarter is the main reporting and voting period for companies with 31 December 2002 year-ends.)

The firms do not necessarily always support management in that they may vote against it or consciously abstain. (For an abstention to be conscious it was considered that there should have been some communication with management to that effect.) For the 23 firms that gave details of their voting records, they voted against management or consciously abstained on 7 per cent of the total resolutions voted. For the 18 firms that gave details on how they had voted on particular resolutions that could be considered contentious, 23 per cent of the votes were against and 62 per cent were for management, and 15 per cent were conscious abstentions.

Also voting was integrated into the investment process in that in 25 firms it was the fund managers/Chief Investment Officer or near equivalent, or a committee comprising a mix of business heads which made the final voting decision in a controversial or contentious situation.

- **The majority interacted and sought to influence companies.** The majority of the firms surveyed sought to influence investee companies by means other than through voting such as meeting with the Directors and senior management to express concerns, meeting with the Independent Directors and interacting with other shareholders. However, making a public statement in advance of the AGM, submitting a resolution at shareholder meetings, or requisitioning an EGM were usually seen as costly and/or potentially damaging to the investee company and thus to shareholder value. For this reason these measures were rarely used.
- **The majority reported to clients.** Twenty-nine of the firms reported details of how they discharged their responsibilities to their clients quarterly, one firm monthly and another reported as requested by clients. In the main, the matters reported related to voting records and in particular, details of votes against management or conscious abstentions. Four firms gave details of all resolutions voted.

In conclusion, all the 33 firms surveyed have procedures in place to ensure compliance with the Statement of Principles and ensuring that shareholders derive value from their investments and that concerns over under-performance are dealt with. Each of the firms was structured slightly differently and was at a different stage in implementing the Statement. In this respect, constructive changes were being, and continue to be, made to satisfy clients' demands.

CONTENTS	PAGE
1. Profile of respondents	1
2. Policy statements	3
3. Structure and approach to ongoing monitoring and interaction	6
4. Voting	9
5. Other interaction	16
6. Evaluation and reporting	21

APPENDICES

- 1. The Institutional Shareholders' Committees' Statement of Principles – the Responsibilities of Institutional Shareholders.**
- 2. Methodology.**
- 3. The 33 firms and our understanding of their parents' activity.**
- 4. Voting records of 24 firms.**

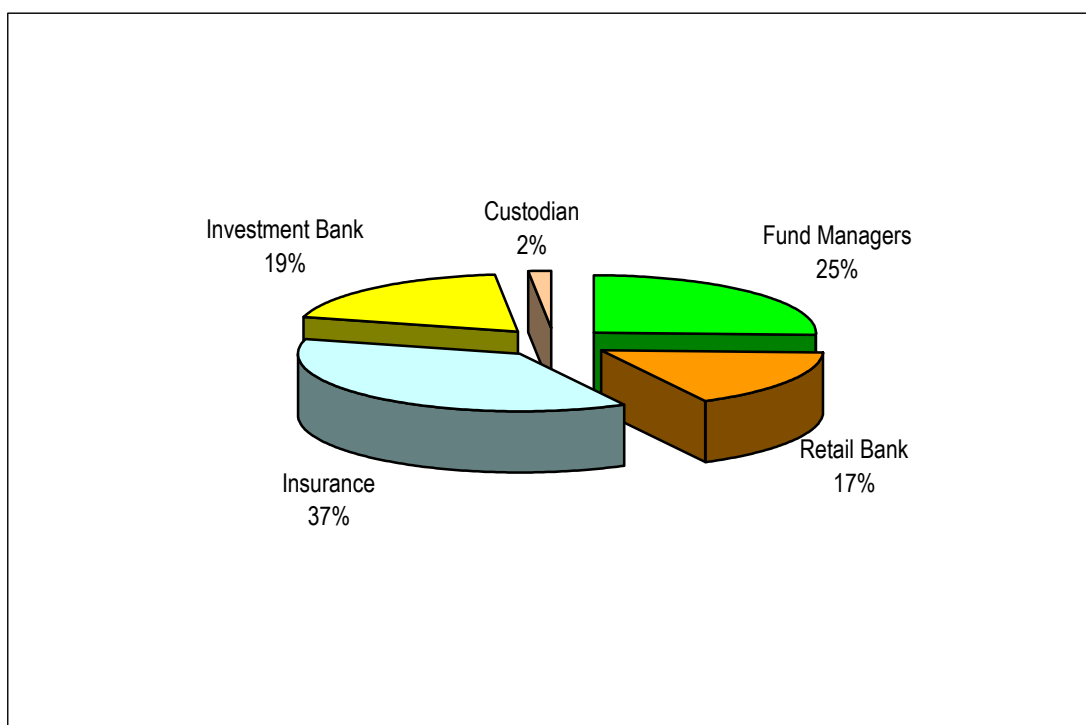
1. PROFILE OF RESPONDENTS

Value of UK equities managed

A total of 33 UK fund managers were invited to participate in the survey which looked at how they discharge their responsibilities in relation to the UK equities they manage. As at 30 June 2003, the 33 firms managed within the UK, UK equities with an estimated value of £480 billion³ (2002: £610 billion⁴) out of an estimated total of £897 billion⁵ (2002: £1,044 billion) and thus accounted for 53 per cent of all UK equities managed (2002: 58 per cent).

Chart 1 shows how this £480 billion was apportioned between the firms classified according to our understanding of the principal activity of the UK parent: insurer; investment bank; retail bank; custodian; and fund manager. The appropriate classification may not be clear, particularly in the case of complex groups. Consequently for reference, the names of the 33 fund managers and our understanding of the principal activity of the parent are set out at Appendix 3.

Chart 1: Proportion of UK equities by value managed according to the principal activity of the parent as at 30 June 2003



³ From the IMA's Fund Management Survey 2003. Where figures were not provided then data from the IMA's Fund Management Survey 2002 have been used adjusted for the fall in the FTSE 100 Index from June 2002 to June 2003. Two firms did not report the value of UK equities held in either survey in which instance the average of the remaining 31 firms has been assumed.

⁴ From the IMA's Fund Management Survey 2002.

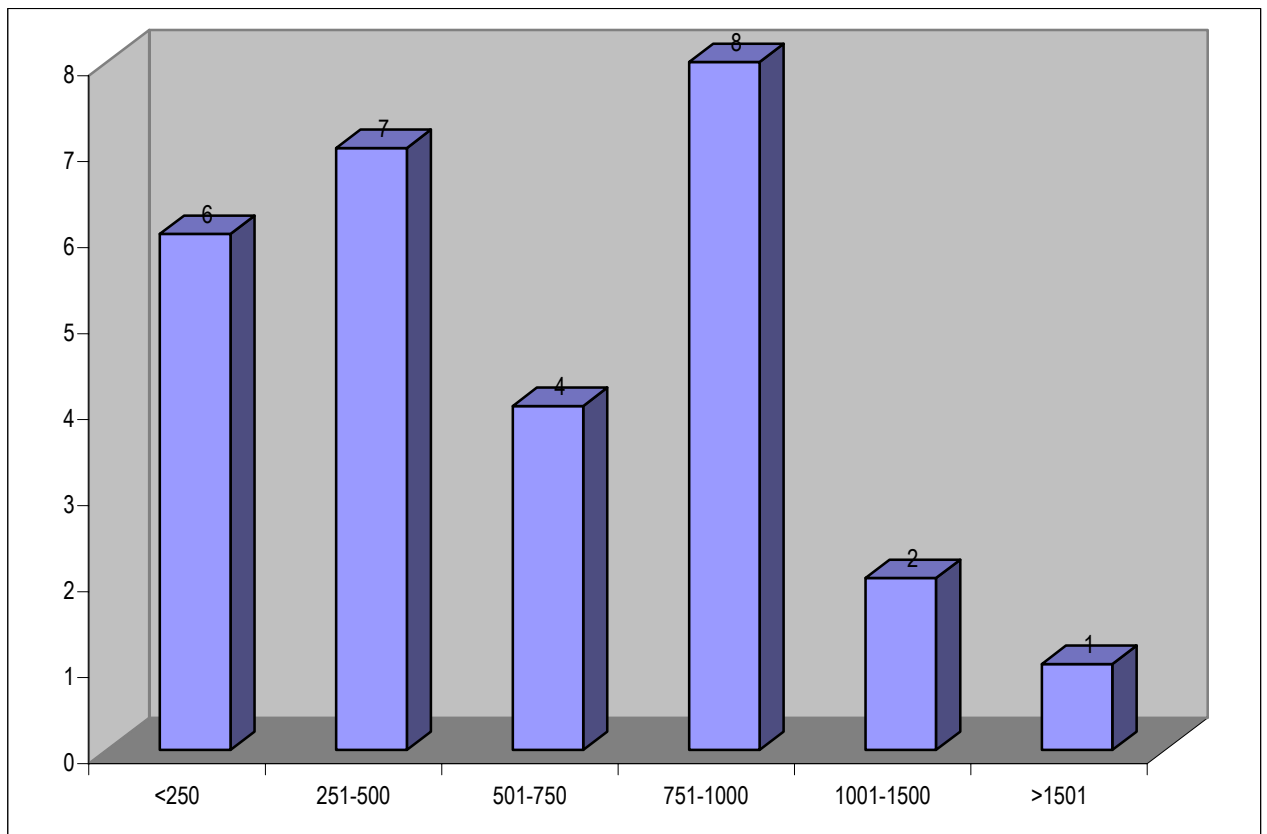
⁵ From the IMA's Fund Management Survey 2003. Where figures were not provided then data from the IMA's Fund Management Survey 2002 have been used adjusted for the fall in the FTSE 100 Index from June 2002 to June 2003.

Fund Managers' Engagement with Companies

This survey covered the firms' engagement in relation to UK investee companies. In this respect, the number of UK companies each respondent was invested in as at 30 June 2003 varied from just under 250 to just over 1,500 (the FTSE All Share is made up of approximately 850 companies).

For 28 of the firms in the survey (the position was not determined for five firms) the number who were invested in: less than 250; 251 to 500; 501 to 750; 751 to 1,000; 1,001 to 1,250; 1,251 to 1,500; and over 1,501 UK companies is represented in Chart 2.

Chart 2: Number of UK investee companies the firms invested in as at 30 June 2003



2. POLICY STATEMENTS

The Statement of Principles

The Statement of Principles recommends that "institutional shareholders and agents will have a clear statement of their policy on engagement and on how they will discharge the responsibilities they assume."

It also sets out the matters that should be addressed in the policy statement and recommends "this policy statement will be a public document."

What the survey covered

The survey looked at whether the firms have a policy statement (or policy statements) in relation to their engagement and discharging their responsibilities, to whom it is/they are made available and the matters addressed.

What was found

The existence of a policy statement

- 28 firms had policy statements that covered all or part of the matters set out in the Statement of Principles.
- 5 firms had draft statements. The main reason why these had not been finalised is that they were either waiting to be approved and/or the firms were waiting for the latest version of the Combined Code to be published. (The most recent version of the Combined Code was published on 23 July 2003 and was effective for reporting years beginning on or after 1 November 2003).

Who the policy statement was made available to

This covers the 28 firms that had finalised policy statements.

- 9 firms had issued all, and 5 had issued part, of their statements as public documents;
- 9 firms gave them to both prospective and existing clients;
- 1 firm gave them to existing clients; and
- 4 firms made the policy available to anyone on request.

One firm whose policy statement was in draft sent it to its clients if asked. A number of firms also sent their policy statements to the companies in which they invest.

The 14 firms that had issued their policy statements as public documents had done so by putting them on their website.

Matters covered in the policy statement

The policy statements of 23 firms were either public or were made available to the IMA and were analysed as to their content. Table 1 lists the policies the Statement of Principles recommends the statements address, what each policy is likely to cover and the number of firms that had documented the policy concerned. In addition, a number of

firms had a policy on how they tailor their portfolios to meet standards of socially responsible investment:

- to meet the needs of their clients in that from 3 July 2000 pension fund trustees were required to state in their Statement of Investment Principles their stance on socially responsible investment; and /or
- on the basis they have specific ethical funds.

Thus whether firms had a policy on how they meet ethical standards was also analysed.

Table 1: Matters covered in the policy statement of 23 firms

Policy	What the policy is likely to cover	Number of firms that have documented the policy
How investee companies will be monitored.	This is likely to describe how the firm builds up an understanding of the businesses in which it invests and holds routine meetings with investee companies' senior management. It may also address whether separate teams are responsible for particular issues such as corporate governance and socially responsible investment.	19
Policy for requiring compliance with the Combined Code.	This is likely to set out a firm's expectations in relation to investee companies' compliance with the principles and provisions of the Combined Code. Many statements repeat the principles and provisions and clarify and amplify the firm's expectations.	18
Policy for communicating with an investee company's Board and senior management.	This is likely to set out the circumstances when a firm will initiate meetings with an investee company's Board and senior management.	18
How conflicts of interest will be managed.	This is likely to cover how conflicts of interest are dealt with to ensure that the firm acts in the best interests of its clients. Conflicts of interest can arise in a variety of ways. For example, the firm may manage the pension fund of a company in which it holds a significant stake. It may also invest in its own parent's shares on behalf of its clients.	14

Policy to be addressed	The type of matters to be covered	Number of firms that have documented the policy
Strategy on intervention.	This is likely to include details of proxy voting and other forms of interaction, including: additional meetings with management to discuss concerns; expressing concerns through the company's advisers; meeting with the Chairman, Senior Independent Director, or with all Independent Directors.	17
Circumstances when further action will be taken.	This likely to give an indication of when further action will be taken. For example, expressing concerns through the company's advisers; meeting with the Chairman, Senior Independent Director or with all Independent Directors; interacting with other institutions; making a public statement in advance of the AGM or an EGM; submitting a resolution; or requisitioning an EGM.	16
Policy on voting.	This is likely to include, for example, the circumstances when a firm will vote against management or abstain and whether and how it communicates this to the company in advance.	22
Policy on socially responsible investment.	This is likely to include the firm's expectations in relation to the investee company minimising any damaging environmental, ethical and social effects of their business and whether it will exclude any companies that do not comply with its expectations in this regard. The firm may also run ethical funds.	22

Conclusion

In conclusion, all 33 firms surveyed had a policy statement or statements, albeit that in 5 instances the statement was still in draft. The 23 statements provided to us, or which were obtained from the web, tended to address the majority of the matters set out in the Statement of Principles. 14 firms had made their policy statements public by publishing all or part of it on the web.

3. STRUCTURE AND APPROACH TO ONGOING MONITORING AND INTERACTION

The Statement of Principles

The Statement of Principles recommends that: "institutional shareholders and/or agents, either directly or through contracted research providers, will review Annual Reports and Accounts, other circulars, and general meeting resolutions. They may attend company meetings where they may raise questions about investee companies' affairs. Also investee companies will be monitored to determine when it is necessary to enter into an active dialogue with the investee company's Board and senior management".

What the survey covered

The survey looked at how the 33 managers structure, resource and approach monitoring and interaction with investee companies. The survey looked at the firms' engagement in relation to investee companies':

- strategy and performance – including overall strategy, strategy on acquisitions and disposals, and operational performance;
- approach to social responsible investment; and
- conventional corporate governance, such as compliance with the Combined Code, Directors' remuneration, Board succession etc.

What was found

Structure and resources

For the majority of firms surveyed, the resources deployed in engagement could not be isolated as engagement was integrated with the investment process even if, due to the specialist knowledge required, particular individuals took responsibility for certain aspects, such as socially responsible investment, and voting and corporate governance.

Thus in two of the firms, the fund managers handled all engagement, whereas another had a separate team for strategy, for corporate governance and for socially responsible investment.

For 28 firms, monitoring and interaction in relation to investee companies' strategy and performance was handled by fund managers/analysts and other aspects as set out below.

- 3 firms had ethical funds and a specialist/team for socially responsible investment. In 2 of these firms, the fund managers made the voting decision in a controversial or contentious situation that could affect shareholder value and in the other, it was the responsibility of the Head of Research.
- 25 firms had a separate specialist/team for corporate governance/voting and of these 18 also had a specialist/team for socially responsible investment, but as regards the final voting decision if there were controversial or contentious issues which could affect shareholder value:
 - for 6 firms, it was the responsibility of the corporate governance

- specialist/team with the active involvement of the relevant fund managers/analysts and in 4 firms, if required the corporate governance committee;
- for 18 firms, it was the responsibility of those involved in the investment process as follows:
 - for 5 firms, it was the responsibility of a Managing Director/Head of Research/the Chief Investment Officer/Senior Head of Equities;
 - for 4 firms, it was the responsibility of a senior committee;
 - for 8 firms, it was the responsibility of the relevant fund managers/analysts;
 - for one firm, it was the responsibility of the relevant fund managers and/or the Chief Investment Officer; and
 - for one firm, the trustees set the voting policy and a proxy voting agency followed that policy.

One firm invested in stocks it believed would outperform using its own proprietary analysis rather than a traditional fund management approach. It invested in at least the FTSE All Share and monitoring and interaction was overlaid on this investment process to cover all shares held. Two specialists handled corporate governance, socially responsible investment and interacted and managed the relationship with investee companies.

Another firm deliberately invested in under-performing companies with the aim of encouraging change. It had a team of around 40 staff dedicated to engagement. It involved itself in detailed discussions about management and policy with the aim of influencing them. Other managers may have done this to a lesser extent when they had specialist funds that invest in under-performing companies.

Ongoing monitoring

All firms undertook the desk-based monitoring envisaged in the Statement of Principles. In addition, the firms met with an investee companies' management at least once a year – some did this before they invested in a company as part of their general research function but for others it was part of the post results review meeting.

The firm that deliberately invested in under-performing companies met at a minimum six times a year:

- the management of 25 to 30 companies held in a specialist fund, where there is long-term underperformance and where it is believed interaction could have a dramatic impact on the value of the investment; and
- the management of a further 30 companies where there is core engagement.

It also engaged with a further 100 to 150 companies on conventional corporate governance issues such as Board structure and remuneration and will meet with them once a year.

For the remaining 32 firms surveyed, the position was as set out below.

- One firm met each company's management between one and five times a year having in excess of 18,000 meetings globally and logging each meeting.

Fund Managers' Engagement with Companies

- 10 firms met each company's management at least twice a year.
- 17 firms met each investee company's management at least once a year.
- 3 firms met with the management of the majority of investee companies once a year.
- One firm met any investee company's management where the investment comprises more than 5% of its portfolio at least once a year.

Conclusion

In conclusion, the majority of firms surveyed integrated engagement with the investment process even if, due to the specialist knowledge required, particular individuals took responsibility for certain aspects, for example, for socially responsible investment and corporate governance. All the firms undertook the desk based monitoring envisaged in the Statement of Principles. In addition, the firms met with an investee company's management at least once, and up to as many as five to six times, a year – some did this before they invested in a company as part of their general research function, for others it was part of the post results review meeting.

4. VOTING

The Statement of Principles

The Statement of Principles recommends "institutional shareholders and/or agents should vote all shares held directly for on behalf of clients wherever practicable to do so. They will not automatically support the Board; if they have been unable to reach a satisfactory outcome through active dialogue then they will register an abstention or vote against the resolution. In both instances it is good practice to inform the company in advance of their intention and the reasons why".

What the survey covered

Section 2 looked at whether firms had a policy statement which addressed how they discharge their responsibilities in relation to investee companies and the broad topics covered. This section looks at details of that policy in relation to voting UK and international shares. As regards UK shares, the survey looked at whether firms would vote against investee company management and/or consciously abstain and if it was the firm's policy to advise the investee company's management of such intentions in advance. (For an abstention to be conscious, it was considered that there should have been some communication that this was a conscious abstention with management.)

The survey looked at who was responsible for setting voting policy within the firm and who made the final decision if a vote was particularly controversial or contentious situations that could affect the value of the shares held. As to what constitutes a contentious situation is a matter for individual judgement. Essentially it was considered that it should relate to a resolution about which there has there has been a certain amount of discussion and/or debate between the firm and the investee company beforehand and either the resolution proposed was modified as a consequence or an undertaking given that the issue would be addressed over time.

Lastly, details of votes cast are readily quantifiable and the majority of firms maintain records. Firms were sent a questionnaire and asked for details about the number of votes cast in the quarter ended 30 June 2003 and the number of investee companies affected. (This quarter is the main reporting and voting period for companies with 31 December 2002 year-ends.) They were asked for information relating to the votes for which they had voting discretion, as opposed to where they have to follow their clients' instructions. Firms were also asked for details on how they voted on particular resolutions at meetings of companies in the FTSE 100 where they had an interest.

What was found

Voting policy

Voting UK shares

As regards the firms' policy in relation to voting their UK shares:

- the majority, 31 firms, had a policy to vote all UK shares, but separate arrangements may be applied when the firm has private clients;
- one firm votes when they could or when there were issues; and
- one firm only votes when it held more than 3 per cent of the stock.

Voting international shares

As regards the firms' policy in relation to voting international shares, the position was less clear-cut:

- 17 firms voted all, except where there were concerns about share blocking or re-registration or it is otherwise impossible or impractical;
- 5 firms voted in selected markets;
- one firm voted major holdings;
- 4 firms voted when there are particular issues arising;
- one firm voted at the request of its clients;
- 4 firms did not vote at all; and
- one firm did not hold international shares.

Voting against management or conscious abstentions

All 33 firms voted for or against management of which:

- 31 also consciously abstained; and
- 2 tended to only vote against.

Advising management in advance

A firm may oppose a resolution but may wish to advise management in advance to give it an opportunity to explain its reasons or amend the resolution. On occasions a firm may register disapproval and abstain, making it clear to management that unless the policy is changed then the firm will vote against it next year. In this respect, when consciously abstaining or voting against management in relation to UK shares:

- 21 firms always tried to advise management in advance;
- 3 firms tried to advise management in advance most of the time;
- 2 firms advised in advance depending on the issue;
- 2 firms advised in advance depending on the issue and the value of the stock; and
- one firm advised in advance only if abstaining and not when voting against management.

Two firms never advised management in advance, one usually did not and one did not consider it necessary on the basis that all investee companies are given its policy.

Responsibilities

Setting voting policy

Of the 33 firms surveyed, who determines the firm's policy on how it will vote varies in that:

- in 2 firms, it was decided by a proxy voting agency;
- in one firm, it was decided by an external proxy voting agency in conjunction with its own internal corporate governance specialist;
- in 12 firms, it was internal corporate governance specialists, although a proxy voting agency may give advice on particular resolutions;
- in 9 firms, it was a separate corporate governance/voting committee;

- in 3 firms, it was the Chief Investment Officer and/or Chief Executive Officer;
- in 4 firms, it was either the main, the executive or the non-executive Board; and
- in 2 firms, it was the trustees.

Deciding in a controversial or contentious situation that could affect shareholder value

The firms generally expected to be able to vote in support of resolutions proposed by investee company's management. However, sometimes a resolution was controversial or contentious, or may not have accorded with the firm's written policy, and required a formal decision. The person or persons responsible for the final decision on how to vote a controversial or contentious resolution varied from firm to firm as follows:

- for 7 firms, it was a Managing Director/Head of Research/the Chief Investment Office/ Senior Head of Equities;
- for 5 firms, it was a committee comprising various business heads or a corporate governance committee;
- for one firm, it was the fund managers and/or the Chief Investment Officer;
- for 12 firms, it was the fund manager(s) and/or analysts (for one firm, the fund managers had to formally sign off the decision);
- for one firm, the trustees set a comprehensive voting policy and a voting service followed that policy; and
- for 7 firms, it was an in-house corporate governance specialist but in 4 of these firms it was with the active involvement of the analysts/fund managers and, if required, the committee.

Voting in the period 1 April to 30 June 2003

As noted above, the firms surveyed were sent a questionnaire and asked for details of their voting records in the quarter ended 30 June 2003.

First, firms were asked for information on how they voted overall in the quarter, which included details of:

- the approximate number of UK companies where they held an interest as at 30 June 2003;
- the number of resolutions voted in total in the quarter ended 30 June 2003 and the number of companies affected;
- the number of resolutions voted with the company in a contentious situation in the quarter and the number of companies affected; and
- the number of resolutions voted against the company or consciously abstained in the quarter and the number of companies affected.

Twenty-four firms provided details which are set out in Appendix 4 and summarised below. In analysing the results certain assumptions have been made as follows:

- where an investee company had a meeting in the quarter, it only had one meeting;
- where a firm reported the number of companies affected but did not know the number of resolutions voted, each company meeting had ten resolutions; and
- the number of investee companies each firm was invested had not changed during the quarter from the position as at 31 June 2003.

The analysis is summarised below:

Fund Managers' Engagement with Companies

- 21 firms had an interest in 12,629 UK investee companies in aggregate as at 30 June 2003;
- these investee companies had 5,638 meetings in aggregate at which the firms voted, that is to say, 44.6 per cent of the aggregate number of investee companies; and
- these 21 firms voted on 45,743 resolutions in total.

As regards voting with an investee company's management in a contentious situation:

- 12 firms of the 24 firms maintained details;
- of these 11 voted a number of resolutions with an investee company's management in a contentious situation in the quarter; and
- this affected one per cent of the total number of resolutions, or 2.8 per cent of the aggregate number, of the 12 firms' investee companies.

As regards voting against an investee company's management or consciously abstaining:

- 23 of the 24 firms maintained details and voted a number of resolutions against an investee company's management or consciously abstained; and
- this affected 7 per cent of the total number of resolutions, or 26.6 per cent of the aggregate number, of the 23 firms' investee companies.

Firms were also asked for details on how they had voted on particular resolutions that may be considered contentious or controversial in the quarter where they held an interest. Eighteen firms reported details which are summarised below.

Table 2: How 18 firms voted on particular resolutions in the quarter where they held an interest.

Company and date of meeting	Number of firms that held an interest	Resolution	Comment	Voted for	Voted against	Consciously abstained
Reed Elsevier 8 April 2003	18	Long Term Incentive Share Option Scheme	Three share incentive schemes in resolutions 9,10 and 11 gave the Remuneration Committee discretion retrospectively to determine the performance conditions in respect of potentially generous awards, and to grant awards that are not in strict relation to those performance conditions.	9	5	4
Reed Elsevier 8 April 2003	18	Appointment of M H Armour	Executive Director has had a two-year contract since 1996, and there were no plans to reduce it.	11	4	3

Fund Managers' Engagement with Companies

Company and date of meeting	Number of firms that held an interest	Resolution	Comment	Voted for	Voted against	Consciously abstained
Lloyds TSB 16 April 2003	18 (1 did not vote)	Approval of the Directors' remuneration report	(i) Directors received the maximum available under the executive share incentive plan of approximately five times their salary; (ii) Daniels' retention plan did not have performance conditions and was not put to the shareholder vote; (iii) compensation payment made to Atkinson, included a bonus and a pension and allowed him to exercise share options up to one year after departure; and (iv) the increase in awards under the Annual Bonus Scheme to 100% of salary for all Directors (although more stringent performance criteria will be applied, these were not specified).	15	1	1
BG Group 22 April 2003	18	Re-elect Sir Richard Giordano	The severance conditions in Mr Giordano's contract.	14	2	2
Shell Transport 23 April 2003	18	Approval of the Directors' remuneration report	Once the new Long-Term Incentive Plan was granted, no further performance targets needed to be met.	9	6	3
Pearson 25 April 2003	16	Re-appointment of a Director	Re-election of an Executive Director with notice or contract period in excess of one year.	13	2	1
Abbey National 24 April 2003	15	Re-election of Lord Shuttleworth as a Director		13	1	1
Next 13 May 2003	15	Approval of the Directors' remuneration report	Four of the five Executive Directors were employed on two-year rolling contracts and annual bonuses of up to 35% of salary formed part of pensionable pay.	8	4	3
Next 13 May 2003	15	Re-election of Christos Angelides as a Director	Re-election of Executive Director with notice or contract period in excess of one year. All Directors' service contracts were renewed on 3rd October 2002 as part of the reconstruction.	10	3	2
Hilton Group 16 May 2003	18	Re-election of BG Wallace	Re-election of an Executive Directors whose liquidated damages exceeded the equivalent of two years' basic salary.	11	5	2

Company and date of meeting	Number of firms that held an interest	Resolution	Comment	Voted for	Voted against	Consciously abstained
ICI 22 May 2003	13	Approval of the Directors' remuneration report	The Executive Share Option Scheme allowed rolling re-testing and was uncapped.	7	2	4
GlaxoSmithKline 19 May 2003	18	Approval of the Directors' remuneration report	i) Severance arrangements for Garnier in the event of termination of his contract; (ii) continuing policy of contracts with more than 12 months' notice periods; (iii) pension augmentation to the former Chairman after he had stepped down from the Board; (iv) share options subject to performance conditions that allow for multiple re-testing on a sliding window basis (the conditions required real growth in earnings per share of 9% over any three year period over the life of the option). Furthermore, the option awards (Garnier and Coombe were granted options with a face value of 11.6 and 7.2 times salary respectively) and Performance Share Plan (PSP) awards (Garnier and Coombe were granted PSP awards equivalent to 1.8 and 1 times salary respectively) could be considered excessive.	4	10	4
Morrison Supermarket 22 May 2003	15	To receive and consider the Directors' report and audited financial statements	The Board comprised seven Executive Directors and no non-Executives; the Executive Chairman is the former Chief Executive; there was no remuneration or audit committee; the nomination committee comprises the Executive Chairman and one of the joint Managing Directors and is therefore non-Independent.	9	5	1
Total voted	214			133	50	31

Conclusion

The majority of the firms surveyed had a policy to vote all their UK shares and, where possible, international shares. The 21 firms that completed this part of the questionnaire had on average an interest in 574 UK investee companies as at 30 June 2003. On average these companies had 268 meetings in the quarter at which votes were cast, i.e. 46.7 per cent of the average number of investee companies.

The firms did not necessarily always support management in that they may vote against it or consciously abstain. (For an abstention to be conscious, it was considered that there should have been some communication with management to that effect.) For the 23 firms that gave details of their voting records, they voted against management or consciously abstained on 7 per cent of the total resolutions voted. For the 18 firms that gave details on how they had voted on particular resolutions that could be considered contentious, 23

Fund Managers' Engagement with Companies

per cent of votes were against and 62 per cent were for management, and 15 per cent were conscious abstentions.

Also voting was integrated into the investment process in that in 25 firms it was the fund managers/Chief Investment Officer or near equivalent, or a committee comprising a mix of business heads which made the final voting decision in a controversial or contentious situation.

5. OTHER INTERACTION

The Statement of Principles

Often the most effective interaction occurs before the vote in that firms can influence resolutions put to the members at a company meeting. The Statement of Principles recommends that: "institutional shareholders and/or agents should set out the circumstances when they will actively interact and how they propose to measure the effectiveness of doing so".

Instances when institutional shareholders and/or agents may want to interact include when they have concerns about:

- strategy and performance – including overall strategy, strategy on acquisitions and disposals, and operational performance;
- approach to social responsibility; and
- conventional corporate governance, such as compliance with the Combined Code, Directors' remuneration, Board succession, internal controls etc.

The Statement of Principles sets out the ways in which fund managers may want to interact and escalate their action, which include:

- meeting with the Chairman, Senior Independent Director, or with all Independent Directors;
- holding additional meetings with management specifically to discuss concerns;
- expressing concern through the company's advisers;
- intervening jointly with other institutions on particular issues;
- making a public statement in advance of the AGM or an EGM;
- submitting resolutions at shareholders' meetings; and
- requisitioning an EGM, possibly to change the Board.

What the survey covered

The survey examined the firms' policies in relation to their interaction with investee companies, other than voting, and how they sought to escalate their action.

The firms were also asked for examples of interaction in the quarter ended 30 June 2003 in a questionnaire. 22 firms responded. In this respect, certain types of interaction, for example additional communications with management and expressing concerns through advisers, are not always recorded and in a number of instances, the firm interacts in this way but has no record. Thus the examples in the period 1 April to 30 June 2003 below reflect those activities that have been recorded and reported and may not reflect all interaction undertaken.

What was found

The majority of the firms sought to invest in well-managed companies. Consequently, whilst they all monitored and periodically challenged management, they only expected to have to take direct action to effect change in exceptional circumstances.

When firms did challenge investee company management on matters other than trading results this tended to be through a structured process whereby they:

- telephone or write to express concerns;
- meet with management;
- provide feedback to the company's advisers; and
- liaise with like-minded investors to lobby for change.

One firm's stated policy was that where holdings were less than £5million across all clients then interaction was limited to proxy voting. Another firm's policy was that it prioritises focused engagement depending on the size of its holding, the likelihood that it can exercise influence and the seriousness of the issue. Another firm focused its interaction on those companies where it had a meaningful holding, which tended to be in companies with a low capitalisation.

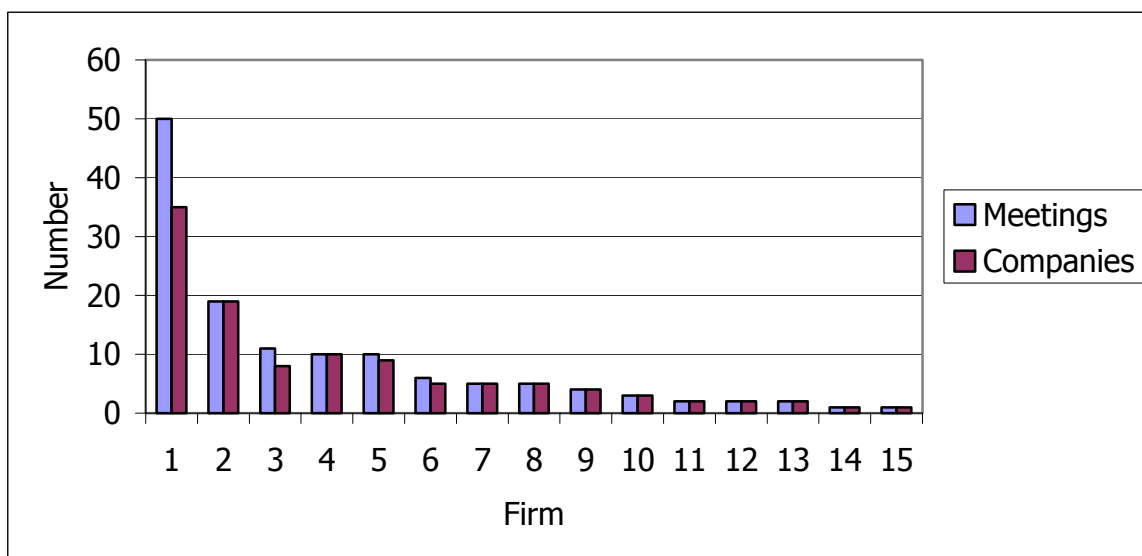
Meetings with Independent Directors and additional communications.

Thirty-one of the firms confirmed that they regularly entered into dialogue with investee companies' Directors and senior management where there were concerns about matters such as strategy, quality of management, Board composition and remuneration and audit issues. One firm rarely did so and another firm's position was not determined. In this respect, of the 22 firms that answered the questionnaire:

- 15 firms had meetings with the Chairman, Senior Independent Director or with all Independent Directors to discuss concerns (7 did so but did not record details); and
- 9 had additional communications with management to discuss concerns (11 did so but did not record details and 2 firms recorded details but did not have any such meetings in the quarter).

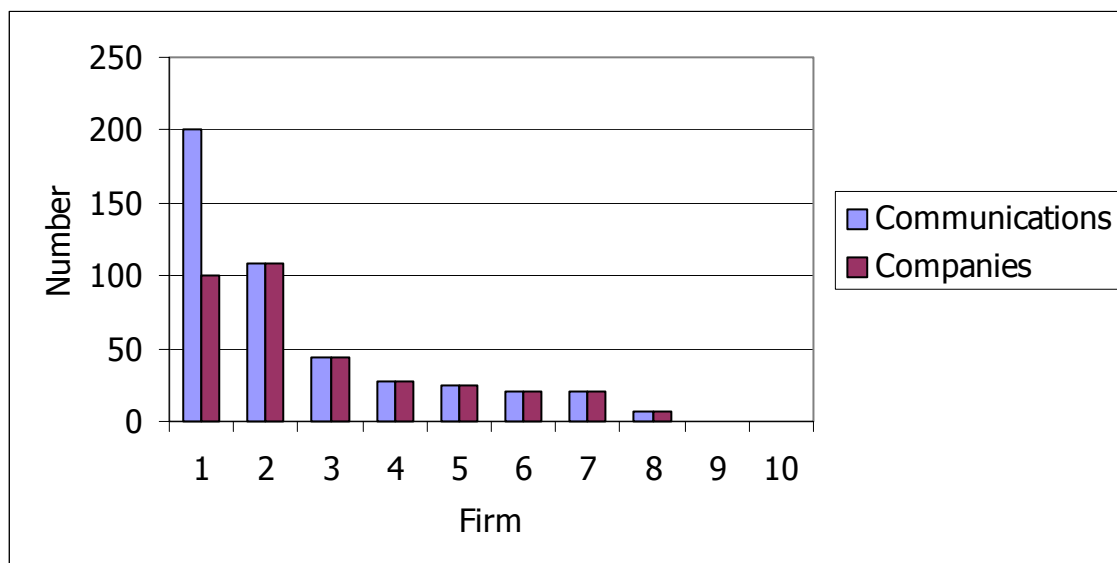
The results are analysed in Charts 3 and 4.

Chart 3: Meetings with Chairman, Senior Independent Director or with all Independent Directors.



For 7 firms details were not recorded.

Chart 4: Additional communications with management.

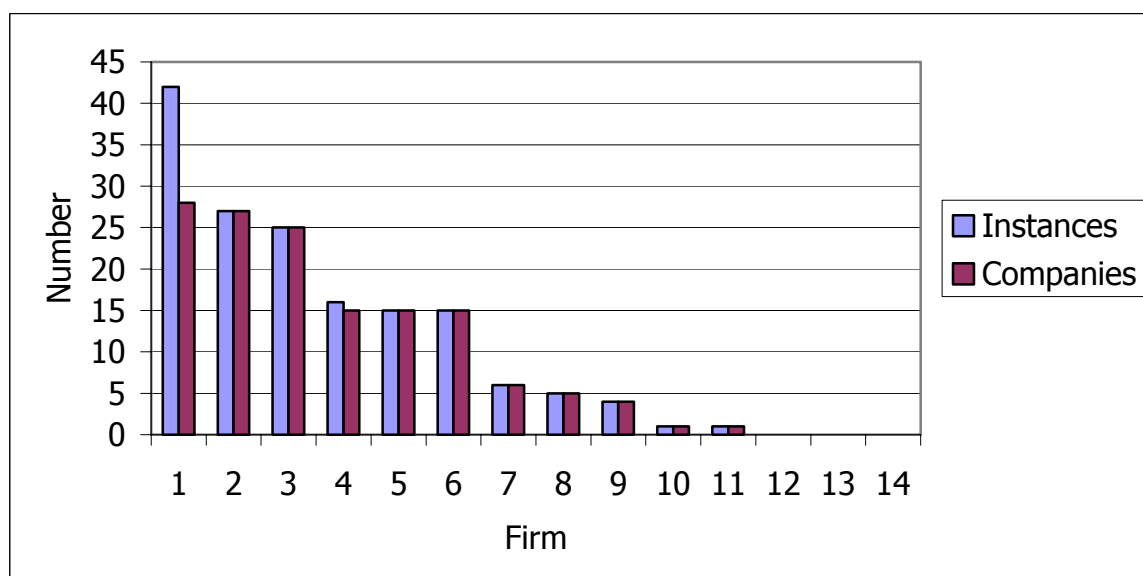


For 12 firms details were not recorded and for 2 there were no additional communications.

Expressing concerns through investee companies' advisers

30 of the firms would provide feedback to investee companies' advisers, one firm tended not to do this as a matter of policy and the position of two firms was not determined. The results of the 22 firms that answered the questionnaire are set out in Chart 5.

Chart 5: Expressing concerns through investee companies' advisers.



For 7 firms details were not recorded, 3 firms did not express concerns through companies' advisers and one does not do so as a matter of policy.

Interacting with other institutional investors

Thirty-one firms would interact with other institutional investors where necessary. Two firms had not done so as yet.

Submitting resolutions, making a public statement and requisitioning an EGM

Few escalated their action further by submitting resolutions at shareholders' meetings; making a public statement in advance of the AGM or an EGM; or requisitioning an EGM. Indeed one firm did not do any of these as a matter of policy and for 2 firms the position was not determined. Accordingly, the results below are in respect of 30 firms.

It was put to us that tabling a resolution at a general meeting can be a costly process and risks causing damage to the reputation of the investee company and long-term shareholder value. Thus few sought to do so in that they would explore other avenues first. In this respect:

- one firm would not table a resolution at a meeting; and
- 29 firms would do so only in extremis, when other avenues have been explored or with other investors.

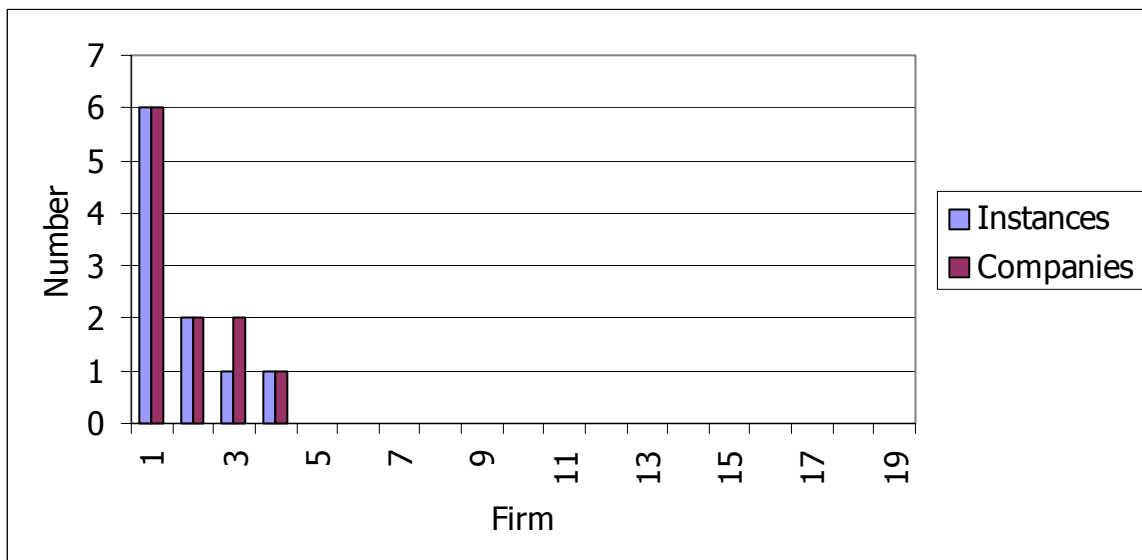
None of the 22 firms who responded to the questionnaire had tabled a resolution at a meeting in the quarter.

As regards making a public statement in advance of the AGM:

- 4 firms would not; and
- 26 firms would do so only in extremis, when other avenues have been explored or with other investors.

Of the 22 firms that responded, the results are summarised in Chart 6.

Chart 6: Making a public statement in advance of the AGM.



For one firm details were not available, 15 firms did not make a public statement and 2 do not do so as a matter of policy.

As regards requisitioning an EGM:

- one firm would not; and
- 29 firms would do so in extremis, when other avenues have been explored or with other investors.

None of the 22 firms who responded to the questionnaire had tabled a resolution at a meeting in the quarter.

Conclusion

The majority of the firms sought to influence investee companies by means other than through voting such as meeting with the Directors and senior management to express concerns, meeting with the Independent Directors and intervening with other shareholders. However, making a public statement in advance of the AGM, submitting a resolution at shareholder meetings, or requisitioning an EGM were usually seen as costly and/or potentially damaging to the investee company and thus to shareholder value. For this reason, these measures were rarely used.

6. EVALUATION AND REPORTING

The Statement of Principles

The Statement of Principles recommends "those that act as agents will regularly report to their clients details on how they have discharged their responsibilities. This should include a judgment on the impact and effectiveness of their engagement. Such reports will be likely to comprise both qualitative as well as quantitative information."

What the survey covered

The survey looked at the number of firms that report information on how they have discharged their responsibilities to their clients, the frequency of such reports and the matters reported.

What was found

This covers 33 firms:

- one firm did not report at all to clients on the basis that it acts for its parent which is an insurer and as such does not have any third party business;
- one firm did not report to clients at the time of the survey but plans to from September 2003;
- one firm reported as requested by clients;
- 29 firms reported to clients quarterly (although this did not include reports to unit holders or shareholders in an investment trust); and
- one firm reported monthly.

For the 29 firms that reported quarterly, they reported voting records as set out below.

- 4 firms reported details of all resolutions voted; some just listed the resolutions and the votes cast whereas others gave narrative on the resolutions and reasons for voting a particular way. One of these, an insurer with no third party business, reported all resolutions on the web on the basis that it treats its policyholders as customers entitled to receive the information. Another prepares bespoke reports and reported details of votes cast if requested.
- one firm reported all resolutions voted against management, conscious abstentions and resolutions vote for management which were contentious or controversial
- 3 firms prepared bespoke reports and report details of all resolutions voted if requested.
- 12 firms reported the total of all resolutions voted for and against management, and conscientious abstentions.
- one firm reported the total of all meetings voted at, and the number of resolutions voted against or abstained.
- 4 firms reported the number of meetings for which votes were submitted and the number of resolutions voted against or abstained.
- 5 firms reported the total of resolutions against management and may report resolutions abstained.

Other matters reported were:

- 9 firms reported details of meetings attended, either in summary or where there are

issues;

- 4 firms reported matters that may be of interest;
- one firm sent a detailed report on all SRI engagement every six months;
- 10 firms reported other types of interaction; and
- 9 firms reported how effective their interaction has been.

The main barriers to effective reporting were seen to be:

- matters that are confidential or under negotiation; and
- the difficulties in making the link between a firm's interaction and the final outcome in a contentious situation.

Conclusion

The majority of the firms reported details of their engagement to their clients quarterly. In the main, the matters reported relate to voting records and in particular, details of votes against management or conscious abstentions. Four firms gave details of all resolutions voted.

THE RESPONSIBILITIES OF INSTITUTIONAL SHAREHOLDERS AND AGENTS – STATEMENT OF PRINCIPLES

1. Introduction and Scope

This Statement of Principles has been drawn up by the Institutional Shareholders' Committee¹. It develops the principles set out in its 1991 statement "The Responsibilities of Institutional Shareholders in the UK" and expands on the Combined Code on Corporate Governance of June 1998. It sets out best practice for institutional shareholders and/or agents in relation to their responsibilities in respect of investee companies in that they will:

- set out their policy on how they will discharge their responsibilities - clarifying the priorities attached to particular issues and when they will take action – see 2 below;
- monitor the performance of, and establish, where necessary, a regular dialogue with investee companies – see 3 below;
- intervene where necessary - see 4 below;
- evaluate the impact of their activism – see 5 below; and
- report back to clients/beneficial owners – see 5 below.

In this statement the term "institutional shareholder" includes pension funds, insurance companies, and investment trusts and other collective investment vehicles. Frequently, agents such as investment managers are appointed by institutional shareholders to invest on their behalf.

This statement covers the activities of both institutional shareholders and those that invest as agents, including reporting by the latter to their institutional shareholder clients. The actions described in this statement in general apply only in the case of UK listed companies. They can be applied to any such UK company, irrespective of market capitalisation, although institutional shareholders' and agents' policies may indicate *de minimis* limits for reasons of cost-effectiveness or practicability. Institutional shareholders and agents should keep under review how far the principles in this statement can be applied to other equity investments.

The policies of activism set out below do not constitute an obligation to micro-manage the affairs of investee companies, but rather relate to procedures designed to ensure that shareholders derive value from their investments by dealing effectively with concerns over under-performance. Nor do they preclude a decision to sell a holding, where this is the most effective response to such concerns.

Fulfilling fiduciary obligations to end-beneficiaries in accordance with the spirit of this statement may have implications for institutional shareholders' and agents' resources. They should devote appropriate resources, but these should be commensurate with the benefits for beneficiaries. The duty of institutional shareholders and agents is to the end beneficiaries and not to the wider public.

2. Setting out their policy on how they will discharge their responsibilities

Both institutional shareholders and agents will have a clear statement of their policy on activism

¹ In 1991 the members of the Institutional Shareholders' Committee were: the Association of British Insurers; the Association of Investment Trust Companies; the British Merchant Banking and Securities Houses Association; the National Association of Pension Funds; and the Unit Trust Association. In 2002, the members are: the Association of British Insurers; the Association of Investment Trust Companies; the National Association of Pension Funds; and the Investment Management Association.

and on how they will discharge the responsibilities they assume. This policy statement will be a public document. The responsibilities addressed will include each of the matters set out below.

- How investee companies will be monitored. In order for monitoring to be effective, where necessary, an active dialogue may need to be entered into with the investee company's Board and senior management.
- The policy for requiring investee companies' compliance with the core standards in the Combined Code.
- The policy for meeting with an investee company's Board and senior management.
- How situations where institutional shareholders and/or agents have a conflict of interest will be minimised or dealt with.
- The strategy on intervention.
- An indication of the type of circumstances when further action will be taken and details of the types of action that may be taken.
- The policy on voting.

Agents and their institutional shareholder clients should agree by whom these responsibilities are to be discharged and the arrangements for agents reporting back.

3. Monitoring performance

Institutional shareholders and/or agents, either directly or through contracted research providers, will review Annual Reports and Accounts, other circulars, and general meeting resolutions. They may attend company meetings where they may raise questions about investee companies' affairs. Also investee companies will be monitored to determine when it is necessary to enter into an active dialogue with the investee company's Board and senior management. This monitoring needs to be regular, and the process needs to be clearly communicable and checked periodically for its effectiveness. Monitoring may require sharing information with other shareholders or agents and agreeing a common course of action.

As part of this monitoring, institutional shareholders and/or agents will:

- seek to satisfy themselves, to the extent possible, that the investee company's Board and sub-committee structures are effective, and that Independent Directors provide adequate oversight; and
- maintain a clear audit trail, for example, records of private meetings held with companies, of votes cast, and of reasons for voting against the investee company's management, for abstaining, or for voting with management in a contentious situation.

In summary, institutional shareholders and/or agents will endeavour to identify problems at an early stage to minimise any loss of shareholder value. If they have concerns and do not propose to sell their holdings, they will seek to ensure that the appropriate members of the investee company's Board are made aware of them. It may not be sufficient just to inform the Chairman and/or Chief Executive. However, institutional shareholders and/or agents may not wish to be made insiders. Institutional shareholders and/or agents will expect investee companies and their advisers to ensure that information that could affect their ability to deal in the shares of the company concerned is not conveyed to them without their agreement.

4. Intervening when necessary

Institutional shareholders' primary duty is to those on whose behalf they invest, for example, the beneficiaries of a pension scheme or the policyholders in an insurance company, and they must act in their best financial interests. Similarly, agents must act in the best interests of their clients. Effective monitoring will enable institutional shareholders and/or agents to exercise their votes and, where necessary, intervene objectively and in an informed way. Where it would make intervention more effective, they should seek to engage with other shareholders.

Many issues could give rise to concerns about shareholder value. Institutional shareholders and/or agents should set out the circumstances when they will actively intervene and how they propose to measure the effectiveness of doing so. Intervention should be considered by institutional shareholders and/or agents regardless of whether an active or passive investment policy is followed. In addition, being underweight is not, of itself, a reason for not intervening. Instances when institutional shareholders and/or agents may want to intervene include when they have concerns about:

- the company's strategy;
- the company's operational performance;
- the company's acquisition/disposal strategy;
- Independent Directors failing to hold executive management properly to account;
- internal controls failing;
- inadequate succession planning;
- an unjustifiable failure to comply with the Combined Code;
- inappropriate remuneration levels/incentive packages/severance packages; and
- the company's approach to corporate social responsibility.

If Boards do not respond constructively when institutional shareholders and/or agents intervene, then institutional shareholders and/or agents will consider on a case-by-case basis whether to escalate their action, for example, by:

- holding additional meetings with management specifically to discuss concerns;
- expressing concern through the company's advisers;
- meeting with the Chairman, Senior Independent Director, or with all Independent Directors;
- intervening jointly with other institutions on particular issues;
- making a public statement in advance of the AGM or an EGM;
- submitting resolutions at shareholders' meetings; and
- requisitioning an EGM, possibly to change the Board.

Institutional shareholders and/or agents should vote all shares held directly or on behalf of clients wherever practicable to do so. They will not automatically support the Board; if they have been unable to reach a satisfactory outcome through active dialogue then they will register an abstention or vote against the resolution. In both instances it is good practice to inform the company in advance of their intention and the reasons why.

5. Evaluating and reporting

Institutional shareholders and agents have a responsibility for monitoring and assessing the effectiveness of their activism. Those that act as agents will regularly report to their clients details on how they have discharged their responsibilities. This should include a judgement on the impact and effectiveness of their activism. Such reports will be likely to comprise both qualitative as well as quantitative information. The particular information reported, including the format in which details of how votes have been cast will be presented, will be a matter for agreement between agents and their principals as clients.

Transparency is an important feature of effective shareholder activism. Institutional shareholders and agents should not however be expected to make disclosures that might be counterproductive. Confidentiality in specific situations may well be crucial to achieving a positive outcome.

6. Conclusion

The Institutional Shareholders' Committee believes that adoption of these principles will significantly enhance how effectively institutional shareholders and/or agents discharge their responsibilities in relation to the companies in which they invest. To ensure that this is the case, the Institutional Shareholders' Committee will monitor the impact of this statement with a view to reviewing and refreshing it, if needs be, within two years in the light of experience and market developments.

METHODOLOGY

As a first step in completing the survey in March this year, the IMA's Chairman, Lindsay Tomlinson, wrote to the Chief Executive Officers of the 33 main fund management groups telling them what the IMA was proposing to do and seeking their buy in. Thereafter all 33 firms were contacted and over the course of May, June and July meetings were held with the relevant contacts who engage with companies. This could be with the corporate governance specialist, an SRI specialist, a fund manager, the Chief Investment Officer, all four or any combination thereof.

In addition, in order to obtain substantive details, a questionnaire was sent out which asked for details of firm's activism and of the number of companies affected in the quarter to 30 June 2003. This quarter is the main reporting and voting period for companies with 31 December 2002 year-ends.

THE 33 FIRMS AND OUR UNDERSTANDING OF THEIR PARENTS' ACTIVITY

Company	Parent	Principal Activity of Group in the UK
Aberdeen Asset Management	Aberdeen	Fund Manager
Aegon Asset Management	Aegon	Insurance
AXA Fund Managers	The AXA Group	Insurance
Baillie Gifford	Baillie Gifford	Fund Manager
Barclays Global Investors	Barclays	Retail Bank
Capital International	Capital International	Fund Manager
CIS	CIS	Insurance
Citigroup Asset Management	Citigroup	Retail Bank
Credit Suisse Asset Management	Credit Suisse Group	Investment Bank
Fidelity Investments International	Fidelity International	Fund Manager
F & C Management	Eureko	Fund Manager
Gartmore Investment Management	Nationwide Mutual	Fund Manager
Goldman Sachs Asset Management	Goldman Sachs International	Investment Bank
Henderson Global Investors	Henderson	Fund Manager
Hermes Investment Management	Hermes Pensions Management	Fund Manager
HSBC Asset Management	HSBC	Retail Bank
Insight Investment Management	HBOS	Retail Bank
ISIS Asset Management	Friends Provident – 67%	Fund Manager
JP Morgan Fleming Asset Management	JP Morgan Chase	Investment Bank
Jupiter Asset Management	Commerzbank	Investment Bank
Legal & General Investment Management	Legal & General Group	Insurance
M&G Securities	Prudential	Insurance
Martin Currie Investment Management	Martin Currie	Fund Manager
Merrill Lynch Investment Management	Merrill Lynch c	Investment Bank
Morley Fund Management	Aviva	Insurance
Newton Investment Management	Mellon	Custodian
Schroders Investment Management	Schroders	Fund Manager
SG Asset Management	Societe Generale	Investment Bank
Standard Life Investments	Standard Life Assurance	Insurance
Scottish Widows Investment Partnership	Lloyds TSB Group	Retail Bank
Threadneedle Asset Management	American Express	Retail Bank
UBS Global Asset Management	UBS	Investment Bank
Universities Superannuation Scheme	Universities Superannuation Scheme	Fund Manager

VOTING RECORDS OF 24 FIRMS**APPENDIX 4**

Total number of: investee companies; resolutions voted; and companies affected			Number of resolutions voted with company in a contentious situation and the number of companies affected			Number of resolutions voted against the company or consciously abstained and the number of companies affected			
Number of investee companies as at 30 June 2003	Number of resolutions voted in total	Number of companies affected	Voted in total, where relevant	Voted with the company in a contentious situation	Number of companies affected	Voted in total, where relevant	Voted against or consciously abstained	Number. of companies affected	
1	150	295	24	not relevant	n/a	n/a	295	66	14
2	320	1,430*	143	1430*	45	33	1,430*	40	28
3	260	1,250*	125	not relevant	n/a	n/a	1250*	65	45
4	260	1,316	125	1,316	1	1	1,316	26	20
5	71	698	62	not relevant	n/a	n/a	698	21	11
6	200	960*	96	960*	5	4	960*	5	4
7	1,000	2,500	500	2,500	10	10	2,500	6	6
8	1,100	6,410*	641	6,410*	2	2	6,410*	217	131
9	150	1,231	102	1,231	0	0	1,231	171	74
10	800	3,843	403	not relevant	n/a	n/a	3,843	24	9
11	800	3,857	392	not relevant	n/a	n/a	3,857	205	145
12	950	3,170	297	not relevant	n/a	n/a	3,170	248	140
13	600	3,167	314	3,167	30	20	3,167	17	11
14	400	5,426	432	5,426	2	2	5,426	99	63
15	900	2,531	261	not relevant	n/a	n/a	2,531	177	77
16	700	4,000	38	4,000	29	29	4,000	36	21
17	800	3,463	338	not relevant	n/a	n/a	3,463	36	29
18	n/a	Not relevant	Not relevant	2,340	80	56	2,340	58	37
19	1,000	4,045	416	4,045	5	5	4,045	586	293
20	851	3,620*	362	not relevant	n/a	n/a	3,620*	117	49
21	n/a	Not relevant	Not relevant	Not relevant	n/a	n/a	2,851	323	n/a
22	317	1,520*	152	1520*	33	33	1,520*	12	12
23	1,000	6,201	415	not relevant	n/a	n/a	not relevant	n/a	n/a
24	n/a	Not relevant	Not relevant	Not relevant	n/a	n/a	3,991	837	317
12,629	45,743	5,638	24,025	195	195	48,724	3,392	1,536	

*Where the number of resolutions is not know it has been assumed that the investee companies had one meeting with 10 resolutions.

N/a means information not available in which instance the total number of resolutions voted is "not relevant".