

Report for: Pensions Committee and Board 7 July 2020

Title: Local Authority Pension Fund Forum (LAPFF) Voting Update

Report authorised by: Jon Warlow, Director of Finance (S151 Officer)

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Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Non Key decision

1. Describe the issue under consideration

1.1. The Fund is a member of the LAPFF and the Committee and Board has previously agreed that the Fund should cast its votes at investor meetings in line with LAPFF voting recommendations. This report provides an update on voting activities on behalf of the Fund.

2. Cabinet Member Introduction

2.1. Not applicable.

3. Recommendations

3.1. That the Committee and Board note this report.

4. Reason for Decision

4.1. None.

5. Other options considered

5.1. None.

6. Background information

6.1. The voting alert received from LAPFF and outcome of votes, as well as how the fund's equity manager, Legal and General Investment Management (LGIM) voted, is detailed below.

Company	Description	LAPFF Recommendation For/Oppose	LGIM Vote For/Oppose	AGM Vote outcome
Santos	Amendment to constitution, disclosures in line with Paris Goals and lobbying inconsistent with Paris Goals	For (x3)	For; For; For	undisclosed
Honeywell International Inc	Proposal to declare lobbying activities	For	For	undisclosed
Astra Zeneca PLC	Approval of Director's remuneration policy	Oppose	For	94.71% FOR, 5.29% OPPOSE
Boeing	Re-election of Board, additional reporting on lobbying activities and policy requiring an independent Board Chair	Oppose; For; For	For; For; For	undisclosed
Woodside Petroleum	Amendment to the constitution to include climate resolutions at the AGM; Disclosures in line with the Paris goals; Review of lobbying inconsistent with the Paris goals; Review of advertising activities	For (x4)	Oppose; For; For; Oppose;	Amendment to the Constitution: 6.28% FOR, 93.72% OPPOSE The two remaining resolutions were contingent on the first one being passed, they were therefore not put to the meeting.
Eli Lilly and Company	Proposal to disclose direct and indirect lobbying activities and expenditures	For	For	undisclosed
General Electric	Independent Board Chair	For	For	Oppose
Dominion Energy	Policy to require independent Chair	For	For	Oppose
Duke Energy Corporation	Policy to require independent Chair	For	For	undisclosed
Barclays PLC	Commitment to tackling climate change; ShareAction requisitioned resolution	For (x2)	For; For;	99.93% For; 23.95% For
Rio Tinto Ltd	Amendment of constitution; Resolution on emissions targets	For (x2)	For; For;	undisclosed

Ford Motor Company	Disclosure of lobbying activities and expenditure	For	For	undisclosed
Motorla Solutions Inc	Chair of audit committee; Political spending disclosure	Oppose; For	For; For;	undisclosed
Royal Dutch Shell	Targets aligned to Paris Agreement	For	Oppose	14.39% FOR, 85.61% OPPOSE
ExxonMobil	Election of board; Independent Chair; Report on risks of gulf coast petrochemical investments; Report on lobbying	Oppose; For; For; For	LGIM voted to oppose the election of 4 board members, and for the election of 6; For; For; for;	Independent Chair: 32.7% FOR, 67.3% OPPOSE Report on Petrochemical Investments: 24.5% FOR, 75.5% OPPOSE Report on Lobbying: 37.5% FOR, 62.5% OPPOSE
Amazon Inc	Report on effect of food waste; Report on customer use of certain technologies; report on customer misuse of certain technologies; Report on efforts to restrict certain products; Independent Board Chair; Alternative report on gender/racial pay; report on certain community impacts; Report on promotion data; Reduction in threshold for calling special shareholder meetings; Specific supply chain report format; Additional reporting on lobbying	For (x11)	For (x10); Oppose (x1)	undisclosed
Facebook Inc	Change in shareholder voting; Independent Chair; Voting for Directors; Election of human/civil rights expert on board	For (x4)	For (x4)	undisclosed
Chevron	Create a committee on climate risk; Independent Chair	For (x2)	For (x2)	undisclosed

7. Contribution to Strategic Outcomes

7.1. None.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance and Procurement

8.1. There are no further finance or procurement comments arising from this report.

Legal

8.2. The Assistant Director of Governance was consulted on the content of this report. There are no legal issues directly arising from this report.

Equalities

8.3. There are no equalities issues arising from this report.

9. Use of Appendices

9.1. None

10. Local Government (Access to Information) Act 1985

10.1. Not applicable.