

## PIRC Summary Report Appendix

### Global

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**PEOPLES FOOD HOLDINGS LTD EGM Date: 2011-01-19**

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**1 Appoint BDO Limited as Auditors** **Abstain**

The board is seeking shareholders' approval for the change of auditors from Grant Thornton, Hong Kong to BDO Limited, Hong Kong. The change of auditors is pursuant to the merger of the practices of Grant Thornton with that of BDO Limited. Grant Thornton has confirmed that they are not aware of any circumstances in connection with their resignation that should be brought to the attention of shareholders; and there were no disagreements with the company on accounting treatments within the last twelve months. BDO Limited will hold office until the conclusion of the next annual general meeting and their remuneration will be agreed between the board and BDO Limited.

We have no concerns over the appointment of BDO Limited as a result of their merger with Grant Thornton. However, we note that Grant Thornton received non-audit fees of S\$660,000 for the previous financial year, but there was no disclosure of the audit fees payable. As PIRC has concerns that a high ratio of non-audit to audit fees creates a potential for conflict of interest on the part of the independent auditor, and we have been unable to evaluate this due to lack of disclosure, we recommend an abstain vote.

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**EVN-ENERGIE-VERSORG NIEDEROS AGM Date: 2011-01-20**

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**4 Appoint the auditors** **Abstain**

KPMGAustria GmbH. The non-audit fees paid during the year under review amount to approximately 44.5% of the audit fee. Therefore we recommend an abstain vote.

**5 Election of new Supervisory Board members** **Oppose**

The Company does not provide details of the nominees. In addition, PIRC believes that shareholders should be given the opportunity to vote on individual elections of Board members. Based on our concerns, we recommend an oppose vote.

**6 Approve the remuneration for the Supervisory Board members** **Oppose**

Currently the remuneration paid to members of the Supervisory Board has been set as a fixed salary of TEUR 108. The chairman is granted 12.5% of the amount, whereas 8.5% each is to be paid to the two vice-chairmen, and slightly more than 7% to each of the other members. However, the Company does not clarify the level of remuneration payable to members of the Supervisory Board to be approved under this proposal. Based on the lack of disclosure, we recommend an oppose vote.

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**FONDIARIA SAI SPA EGM Date: 2011-01-25**

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**1 Approve the capital increase** **Abstain**

The Board seeks shareholder approval for the capital increase by way of a share issue to current shareholders of ordinary and preference shares. The capital increase will have the effect to increase the current capital by Euro 460 million. The capital increase has the aim to strengthen the Company's capital structure and will allow the Company those 'Risk Tolerance' targets which form part of its ongoing strategy. Credit Suisse Securities (Europe) Limited has agreed to subscribe all the rights which are not taken up by eligible shareholders. The underwriting agreement with Credit Suisse also include the capital increase of the Company's controller Premafin Finanziaria S.p.A. – Holding di Partecipazioni ("Premafin") of up to Euro 250 million and Premafin's irrevocable undertaking to subscribe to the share issue for a maximum of Euro 100 million.

The Company does not specify the number of rights attributable to each shareholder, nor the price at which the rights may be subscribed, as the Board will have ample discretion to set the terms and conditions of the share issue. In addition, there are concerns that through the irrevocable undertaking, Premafin might further entrench its position of control on the Company. Finally, we are concerned that the capital increase has been subject to insufficient independent scrutiny as only 38% of the Board is independent according to our guidelines. Based on our concerns, we recommend an abstain vote.

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**CATTLES PLC EGM Date: 2011-01-31**

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**2 Approve the Remuneration Report for the year ended 31 December 2009** **Abstain**

As at 1 January 2009, there were four main elements of the remuneration packages of the executive directors: basic salary and benefits; annual bonus; long-term incentives; and pension and life assurance arrangements. However, the former executive directors did not participate in any annual bonus scheme for 2009 and no awards were made to, and no shares vested in, them during 2009 under the company's long-term incentive schemes. After 30 June 2009, there were two main elements of the remuneration packages of the executive directors: basic salary and benefits; and performance and retention bonus.

No salary increases were made for 2009. The targets which trigger annual performance and retention bonuses are set by the Remuneration Committee. For 2009 the Remuneration Committee agreed that each of the executive directors in office after 30 June 2009, namely Ms Young, Mr Drummond Smith and Mr East could earn an annual performance and retention bonus up to a maximum of £162,500, £200,000 and £160,000 respectively, dependent on the achievement by them of objectives set for each of them by the Committee. We note that no awards have been made under any of the company's long-term incentive schemes since 31 December 2008. In addition, no outstanding awards vested during the year under review. Therefore, combined remuneration is not seen as excessive. However we have concerns that the no targets have been disclosed for the annual performance and retention bonus.

Ms Young and Mr Drummond Smith were employed under a consultancy agreement for 2009, and entered into an employment service contract with the company on 30 March 2010. Notice periods meet best practice. However, we have concerns that under the service agreement for Ms Young (Executive Chair) and Mr Felton-Smith (new Finance Director), the executives could receive on termination bonus payments at the sole discretion of the Committee. In addition, the company has not disclosed whether Mr Drummond Smith received any termination provisions following his resignation as executive director in June 2010.

Although we acknowledge the difficult circumstances faced by the company, and combined remuneration is not seen as excessive, based on our concerns over lack of disclosure of bonus targets and potentially excessive termination payments, we recommend an abstain vote.

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**SEABIRD EXPLORATION LTD EGM Date: 2011-02-15**

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**1 Approve authority to increase authorised share capital Oppose**

On 27 January 2011 the company announced an agreement for a strategic cooperation with Petroleum Geo-Services ASA (PGS). The board has stated that the agreement is expected to "further strengthen each of the two companies leading positions in the reservoir monitoring market, which has been, and is expected to represent the fastest growing segment of the seismic market". Under the terms of the agreement, SeaBird will issue a five year convertible loan of NOK 240 million to PGS. The loan will have an annual interest of 9% that can be paid in cash or in kind. The loan can at any time be converted into ordinary shares at a conversion price of 3.35 NOK per share until the maturity date.

The cooperation agreement and the convertible loan are subject to approval by SeaBird shareholders. Therefore, the board is seeking approval to increase the authorised share capital of the company from 270 to 395 million shares, in order to be able to convert the loan into shares under the terms of the convertible loan agreement and, hence, approval of the agreement. The new shares will rank pari passu in all respects with the existing shares. In addition, the board will be able to issue further shares "for general corporate purposes, capitalisation of the company, restructuring of debt and incentive stock option programs".

PIRC has concerns that pursuant to the agreement PGS has the right to nominate two directors to the board for as long as the loan is outstanding, or PGS is a substantial shareholder. Based on available information, PGS is not currently a shareholder in the company. However, its interests will be represented at board level by nominating two additional directors to the current number of seven directors. Therefore, approximately 22% of the board will represent the interests a non-shareholder of the company as the two nominees are executives at PGS (see resolutions 2 and 3 below). We also note that, overall, the board will have insufficient independent representation in our view following the appointment of the two PGS representatives (from 57% to 44%).

In addition, we have concerns that if this authority is approved, the board will be able to issue shares for various purposes without further shareholder approval. We also note that shareholders had approved a 50% increase in the authorised share capital at the AGM in May 2010.

Based on our concerns above, we recommend shareholders oppose the authority to increase the authorised share capital in order to facilitate the issuance of shares under the convertible loan agreement.

**2 Appoint Mr Jostein Ueland Oppose**

Nominee director. The company entered into a convertible loan agreement with PGS pursuant to which PGS has the right to nominate two directors to the board for as long as the loan is outstanding, or PGS is a substantial shareholder. PIRC has concerns that Mr Ueland is not independent as he is an executive at PGS. If he is elected to the board, there will be insufficient independent representation in our view. Therefore, we recommend shareholders oppose the appointment of Mr Ueland.

**3 Appoint Mr Vidar Hovland Oppose**

Nominee director. The company entered into a convertible loan agreement with PGS pursuant to which PGS has the right to nominate two directors to the board for as long as the loan is outstanding, or PGS is a substantial shareholder. PIRC has concerns that Mr Hovland is not independent as he is an executive at PGS. If he is elected to the board, there will be insufficient independent representation in our view. Therefore, we recommend shareholders oppose the appointment of Mr Hovland.

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**UNITED DRUG PLC AGM Date: 2011-02-17**

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**3 Approve the Remuneration Report****Oppose**

The company introduced new executive pay schemes at the 2010 AGM. There is adequate disclosure of figures paid to executives and non-executive directors, although we have concerns over the lack of disclosure of specific criteria for the short term cash bonus.

Executives are entitled to base salary, benefits, cash-based short-term bonus, two equity-based long-term incentive awards, and pension. Long term incentive remuneration consists of the 2010 Executive Share Option Plan (ESOP) and the LTIP. The short term bonus is capped at 80% of annual salary for the CEO and 60% of salary for other executives.

Under the LTIP awards in the forms of share rights, or share options at nil cost are granted to the executives, including the CEO, subject to satisfaction of corporate performance criteria, over a minimum performance period of three years. The performance criteria operated under the plan are TSR against the MSCI Europe Healthcare Index, and absolute aggregate cash-flow performance, each criterion accounting separately for 50% of awards under the plan. It is considered best practice to have two performance criteria operating concurrently. For the TSR criterion, no vesting will apply for ranking below median, and 25% at median and 100% at and above top quartile, with awards vesting pro rata between.

In the 2010 AGM invitation the company disclosed, that the maximum value of individual awards under the LTIP is capped at 75% of salary for the CEO and 50% for other participants. Going forward, a maximum of 150% will apply for “exceptional circumstances” to be determined at the discretion of the remuneration committee. The aggregate number of shares to be issued under the plan is capped at 10% of share capital over 10 years. However, this information is not disclosed in the 2010 remuneration report.

Under the ESOP, employees and executives of the company, as determined eligible at the discretion of the remuneration committee, will be eligible for awards in the form of share options priced at the share price on the day before grant date. Vesting of awards under the 2010 ESOP will apply after a minimum period of three years, and will be conditional on unspecified performance conditions.

The aggregate number of shares to be issued under the plan is capped at 10% of share capital over 10 years. The value of individual awards under the ESOP is capped at 100% of base salary, increasing to 200% in cases of “exceptional circumstances” to be determined at the discretion of the remuneration committee. During the 2010 financial year no options were granted to directors under the ESOP as directors participated in the LTIP.

Due to the lack of disclosure on caps for the LTIP in the 2010 remuneration report, the discretion, given to the remuneration committee over the ESOP, and due to the lack of disclosure of performance criteria for the cash bonus, we recommend an oppose vote.

**5 Allow the board to determine the auditors remuneration****Abstain**

The board seeks shareholder approval for the auditors' remuneration only, and not for the re-appointment of the auditors. Non-audit fees for the year under review represent approximately 38% of audit fees. On a three-year aggregate basis non-audit fees represent approximately 73% of audit fees. The level of non-audit fees raises concerns over the auditors' independence in our view. However, we recognise that the company has a legal obligation to pay the auditors. Therefore, we recommend shareholders abstain.

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**SYNUTRA INTERNATIONAL INC AGM Date: 2011-02-18**

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**3 An advisory vote on the frequency of future advisory votes on executive compensation****1**

The Company is providing shareholders with an advisory vote on whether the advisory vote on executive compensation should be held every one, two or three years. The Board is required by Section 951 of The Dodd-Frank Wall Street Reform and Consumer Protection Act to offer this vote on the frequency of a say-on-pay proposal not less than every six years, although they have the option to offer this proposal more often.

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**GRAINCORP LTD AGM Date: 2011-02-23**

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**2 Approve the Remuneration Report****Oppose**

The board is seeking shareholder approval for the company's remuneration report for 2010, in accordance with the Corporations Act 2001. Under the Corporations Act, the vote is advisory and therefore not binding.

#### Non-executive remuneration

Non-executive directors are paid base and committee fees and superannuation benefits, neither of which are performance-related payments. The current aggregate limit for non-executive fees is A\$1,000,000 and was approved in 2001. During the year under review, the aggregate remuneration for non-executives was A\$664,236 (2008/2009: A\$609,220). We note that the Non-Executive Director Deferred Share Plan, a salary sacrifice plan, was discontinued effective May 2009 due to changes to the Australian taxation rules that govern share schemes.

#### Executive remuneration

*Disclosure:* The company's remuneration policy is broadly described, and the intended mix of fixed and variable pay is adequately illustrated. The median level is applied as a benchmark for fixed pay, while the benchmark for fixed plus "at-risk" remuneration is at the top quartile level. There is no disclosure to indicate that pay elsewhere in the company is considered when determining executive remuneration. Maximum awards for the CEO and performance measures under the STI are disclosed; however, actual targets have not been quantified.

During 2010 a number of changes were made to the company's executive team. Ian Wilton served as CFO until 21 January 2010, when Mark Irwin Managing Director & CEO, left the company. Ian Wilton filled the role of interim CEO, until the appointment of Alison Watkins as Managing Director & CEO on 30 July 2010. Ian Wilton was appointed President & CEO, GrainCorp Malt on 30 July 2010.

In addition, during the year, GrainCorp undertook a detailed review of executive remuneration "in response to feedback received in the February 2010 Annual General Meeting and in light of the changed business structure and strategy". The company has provided adequate justification and extensive disclosure on the proposed changes in our view. Changes include the following: a long-term incentive plan has been introduced for selected executives. The new LTIP will focus on three-year performance measured by Return on Equity and relative Total Shareholder Return, and no re-testing will be allowed. The first grants are expected to be made in January 2011 and the maximum award for the CEO is currently 100% of fixed remuneration; the current Retention Share Plan will be discontinued following the final grants associated with the 2009/2010 performance period; short-term incentives earned by executives have been restructured to include a component deferred into equity, which will be restricted for 1 year (50%) or 2 years (50%).

*Balance Performance/Rewards:* The intended compensation balance of newly appointed Managing Director & CEO Ms Watkins is 40% fixed remuneration, 30% STI awards, and 30% long-term awards (refers to the Retention Share Plan).

Short term incentives include an annual cash bonus. STI awards are paid in cash and are conditional upon the satisfaction of a number of performance targets related to the following KPIs: financial; safety; customer; people and organisational capability, and strategic. The maximum bonus opportunity for Ms Watkins is 105% of fixed remuneration, with a target of 75%. As Ms Watkins joined on 30 July 2010 she received an agreed pro-rata STI payment for the remaining two months of the 2009/2010 financial year (Year end: 30 September 2010). We have concerns that during the year the company awarded a number of one-off discretionary bonuses to executives for their contribution to the GrainCorp Malt acquisition, including to departing executives Mr Wilton and Mr Irwin.

During the year under review long-term incentive awards were made under the Retention Share Plan. According to the terms of the plan restricted share awards are granted by matching 100% of the prior year STI awards into shares, upon satisfaction of the STI performance criteria. If in any financial year the company fails to make a net profit after tax, the maximum RSP awards will be capped at the STI target level. The vesting period for RSP awards is three years, during which a restriction on the sale of the shares awarded will apply. Also, participants to the RSP will need to serve the vesting period before they can exercise their awards. We consider that the company has provided insufficient information to allow us to assess whether awards under the RSP are challenging compared to awards available, as there is no disclosure of quantified targets under the STI. We also consider that the board has not sufficiently justified the RSP underpin, allowing for partial vesting of awards even if the company fails to make net profits, as performance measures for STI awards include financial KPIs.

*Contracts:* The new CEO's contract provides for six months' notice and pro-rated short-term incentive for the year and Retention Share Plan to date for termination without cause, at the

discretion of the Board which we do not consider best practice. In addition, Ms Watkins would receive payment of an additional three months' severance pay for termination on grounds of redundancy or termination by Managing Director & CEO due to material adverse change in role. The company has stated that Mark Irwin, CEO until 21 January 2010, received on termination a separation package that included a cash component and a component of discretionary short-term incentive and accelerated vesting of a portion of his Retention Shares, which we do not consider best practice. These payments amount to an aggregate value of \$750,000 (equivalent to 12 months fixed remuneration).

Although we welcome the proposed changes to the company's remuneration policy, based on our concerns over awards made during the year, we recommend opposition.

**4 Approve the participation of Ms Alison Watkins, Managing Director and CEO, in the Long-Term Incentive Plan** **Oppose**

Under ASX Listing Rule 10.14, a director may only participate under an employee share plan where such participation is approved by ordinary resolution in a general meeting. Therefore, shareholder approval is sought for the participation of Ms. Watkins in the LTI Plan.

Under the proposal Ms. Watkins will be granted Performance Rights under the LTI Plan based on the grant amount of \$950,000 (currently representing 100% of salary). The actual number of Performance Rights to be granted is 146,604. The performance period is three years. Awards vest based on performance against two hurdles, namely relative Total Shareholder Return ("TSR") (50%), and Return on Equity ("ROE") (50%). Half of the TSR award vests between 51st to 75th percentiles while full vesting is at 75th percentile, with straight line vesting in between. Re-testing is not allowed. Half of the ROE award vests for on target performance, with straight line vesting until the maximum target range. The company has stated that the ROE Target Range will be disclosed to the market in the Remuneration Report on completion of the relevant financial period.

Whilst we welcome the introduction of the new LTI Plan we have concerns that the company has provided insufficient information to allow us to assess whether the ROE targets are sufficiently challenging. In addition, half of the TSR award vests for performance at median. We also have concerns over the board's discretion to allow for accelerated vesting of awards under the LTI in the event of a change in control. Finally, we have serious concerns that as stated by the company if shareholder approval for Ms. Watkins' participation in the LTI Plan is not obtained, the company will provide Ms. Watkins with a cash benefit that will place her, in so far as is possible, in the same position as she would have been in had she participated in the LTI Plan.

Based on our concerns we recommend an oppose vote.

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**MARFRIG ALIMENTOS SA EGM Date: 2011-03-01**

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**5 Approve amendments to the terms of the Deed of the Second Indenture** **Abstain**

The Board seeks shareholder approval for two amendments to the terms of the Deed of the Second Indenture of Debentures convertible into shares, signed between Marfrig Alimentos S.A. and the Trustee, Planner Trustee DTVM Ltda, and approved by shareholders at the EGM held on 23 June 2010.

The purpose of the first amendment is to: (a) rectify the corporate name of Keystone Foods LLC to "Keystone Foods Intermediate LLC", in clause III.5.1. of the Deed; rectify the reference to item III.26.1 included in Clause III.24.1, "a", (ii), to a reference to item III.25.1; and (c) rectify from 4.75% to 4.75% the index of the Net Debt divided by the EBITDA foreseen in Clause III.24.1, "n".

The purpose of the second amendment is to rectify the voluntary conversion formula included in clause III.16.2 of the Deed.

The Company does not provide adequate disclosure on the background and rationale for the proposed amendments. In particular, there are concerns that there is no statement as to whether the proposed amendment to the voluntary conversion formula will have any negative financial effect on the Company. Based on the lack of disclosure, we recommend an abstain vote.

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**AXA ASIA PACIFIC HLDGS LTD EGM Date: 2011-03-02**

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**1 Approve the Share Scheme** **Abstain**

The board is seeking shareholder approval for the proposed merger of the company with AMP Limited. Under the agreement AMP, being the surviving entity, will retain the company's Australian and New Zealand Businesses while the Asian Businesses will be sold to AXA SA. The sale is subject to shareholder approval at the EGM to be held right after the meeting on the share scheme. We note that the resolutions on the proposed merger of the Australian and New Zealand Businesses of AXA APH with AMP and the sale of Asian Businesses to AXA SA are inter-

conditional.

Following completion of the merger, the company will be wholly-owned by AMP and will be delisted from the ASX while AXA APH shareholders will own shares equivalent to approximately 25% of AMP's total share capital. Under the terms of the merger, shareholders will be provided for each share held with 0.73 new AMP shares and a variable cash amount based on the arithmetic average of the daily volume weighted average price for AMP shares traded on the ASX during the 10 consecutive trading days immediately following the effective date of the scheme. The scheme participants will also receive the AXA APH 2010 final dividend of up to \$0.0925 per share, which is expected to be paid on 25 March 2011.

The independent directors consider that the proposal is in the best interests of the company's shareholders, in the absence of a superior proposal, and will offer shareholders appropriate value for their investment in AXA APH. In addition, the independent expert, Grant Samuel, has concluded that the value to be delivered to AXA APH minority shareholders under the proposal is compelling and is significantly more than would be available in the short to medium term if AXA APH was to continue on a standalone basis.

We consider that the company has provided sufficient information about the proposal. However, there are concerns that the proposal was not subject to sufficient independent scrutiny and, therefore, an abstain vote is recommended.

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**AXA ASIA PACIFIC HLDGS LTD EGM Date: 2011-03-02**

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**1 Approve the sale of the Asian Businesses to AXA SA****Abstain**

The board is seeking shareholder approval for the sale of the Asian Businesses of the company to AXA SA. The resolution is part of the proposed merger of the company with AMP Limited, which will be put forward at a scheme meeting to be held on the same day as the EGM, and the two resolutions are inter-conditional. Under the agreement AMP, being the surviving entity, will retain the company's Australian and New Zealand Businesses while the Asian Businesses will be sold to AXA SA. Following completion of the merger, the company will be wholly-owned by AMP and will be delisted from the ASX while AXA APH shareholders will own shares equivalent to approximately 25% of AMP's total share capital.

Under the terms of the merger, shareholders will be provided for each share held with 0.73 new AMP shares and a variable cash amount based on the arithmetic average of the daily volume weighted average price for AMP shares traded on the ASX during the 10 consecutive trading days immediately following the effective date of the scheme. The scheme participants will also receive the AXA APH 2010 final dividend of up to \$0.0925 per share, which is expected to be paid on 25 March 2011.

The independent directors consider that the proposal is in the best interests of the company's shareholders, in the absence of a superior proposal, and will offer shareholders appropriate value for their investment in AXA APH. We consider that the company has provided sufficient information about the proposal. However, there are concerns that the proposal was not subject to sufficient independent scrutiny and, therefore, an abstain vote is recommended.

**2 Approve the payment of termination benefits****Oppose**

Shareholders are being asked to approve the payment of termination benefits to certain AXA APH designated executives. This approval is needed as a result of changes to the Corporations Act in November 2009 and is being sought to ensure the benefits set out in existing arrangements are able to be provided to those designated executives if they are made redundant due to the proposed merger of the Australian and New Zealand Businesses with AMP, and the sale of the Asian Businesses to AXA SA. The resolution is conditional on the outcome of the proposed merger and sale. If the designated executives are made redundant at a later time, the termination benefits could not be paid to them unless shareholder approval was sought at a later date.

The amendments to the Corporations Act effectively limit the provision of termination benefits to directors and certain other senior executives without shareholder approval to an amount equal to one year's average base salary. Benefits such as accrued entitlements and redundancy arrangements applicable to all employees are not captured in this limit. However, AXA APH has various redundancy policies for executives which do not apply to "all employees", meaning that the statutory exemption for redundancy payments may not apply. Accordingly, shareholder approval is sought to ensure that payments under the redundancy policies do not breach the Corporations Act requirements. The designated executives' entitlements to redundancy payments reflect the AXA Australia Executive Redundancy Policy applicable to the group's Australian senior executives. However, Mr Penn is also entitled to receive payment of Total Employment Cost (TEC) and the value of STI at target for his full notice period and an additional payment of AUS\$900,000.

Overall, in the event of a redundancy as a result of the proposed merger and sale, Mr Penn will be entitled to the following benefits: a payment in lieu of notice of 12 months TEC and STI calculated at target which is 80% of TEC; a redundancy severance payment of 1 month TEC per year of service (from 12/11/1990), which will be capped at 18 months, currently estimated as AUSD\$2,400,000; accrued annual leave and long service leave paid out based on current TEC, inclusive of notice period; a pro-rated STI bonus payment for the period from 1 January 2011 to the date of termination, based on Mr Penn's performance as assessed by the Board, at a maximum of 160% of TEC; and a payment of AUSD\$900,000, which equated to 90% of Mr Penn's expected LTI at the time his contract was agreed. PIRC considers that termination payments should be limited to one year's base salary. We also have serious concerns over the guaranteed payment of AUSD\$900,000 to Mr Penn on redundancy.

The company has stated that if the termination benefits resolution is not approved but the proposed merger and sale is implemented and as a result any of the designated executives are made redundant, AXA APH would be in breach of its contractual obligations. We note that contracts in existence before the commencement of the Corporations Act amendments are "grandfathered" and are not subject to the revised provisions, unless an essential term of those contracts has been varied. However, in early 2010 the remuneration of the designated executives was reviewed and increased as part of AXA APH's normal annual review process, and hence shareholder approval needs to be sought for the termination payments. PIRC has concerns that termination payments do not meet best practice and are excessive in our view. Therefore, we recommend shareholders oppose the proposal.

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**CARGOTEC CORP AGM Date: 2011-03-08**

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| <b>15</b> | <b>Appoint the auditors</b><br>Johan Kronberg and PriceWaterhouseCoopers Ltd proposed. Non-audit fees were 52% of audit fees for the year in review; on a three year aggregate basis non-audit fees were 58% of the audit fees. This level of non-audit fees creates a potential for conflict of interest on the part of the independent auditor. Therefore a vote to abstain on the resolution is recommended.   | <b>Abstain</b> |
| <b>17</b> | <b>Reissue of treasury shares pre-emption rights disapplied</b><br>The board of directors seeks shareholder approval to issue a maximum of 6,400,000 treasury shares, of which no more than 952,000 are class A shares and 5,448,000 are class B shares, in one or more lots. The authorisation will remain in place for 18 months. Pre-emptive rights may be suspended by the company according to the circumstances. The amount of shares corresponds to 10% of the outstanding capital of the company, which exceeds guidelines for this market. Therefore, shareholders are recommended to oppose the proposal. | <b>Oppose</b>  |

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**AMER SPORTS CORP AGM Date: 2011-03-10**

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| <b>10</b> | <b>Approve remuneration of the members of the Board of Directors</b><br>The company proposes to increase remuneration paid to board members until the AGM in 2012. Thereafter the chairman will receive EUR 100,000 (+25%), the vice chairman EUR 60,000 (+20%), and other board members EUR 50,000 (+25%). There will be no additional payments for attending meetings of the board or meetings of the committees. 40% of the annual remuneration will be paid in shares and 60% in cash. Aggregate fees paid for the year will be EUR 330,000. | <b>Oppose</b> |
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As there is no explanation for the increase of remuneration opposition is recommended.

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| <b>14</b> | <b>Appoint the auditors</b><br>PricewaterhouseCoopers Oy proposed. Non-audit fees were approximately 38.8% of audit and audit related fees during the year under review. Non-audit fees over a three year basis were approximately 47.3% of audit and audit related fees. This level of non-audit fees may create a potential for conflict of interest on the part of the independent auditor. Therefore, a vote to abstain on the resolution is recommended. | <b>Abstain</b> |
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**WALMART DE MEXICO SA AGM Date: 2011-03-10**

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| <b>I</b>   | <b>Report from the board of directors</b><br>The report has not been published. Therefore, an oppose vote is recommended.                          | <b>Oppose</b> |
| <b>II</b>  | <b>Report from the general director</b><br>The report has not been published. Therefore, an oppose vote is recommended.                            | <b>Oppose</b> |
| <b>III</b> | <b>Report from the audit and corporate practices committees</b><br>The report has not been published. Therefore, an oppose vote is recommended.    | <b>Oppose</b> |
| <b>V</b>   | <b>Report regarding the situation of the share repurchase fund</b><br>The report has not been published. Therefore, an oppose vote is recommended. | <b>Oppose</b> |
| <b>VI</b>  | <b>Approve the cancellation of treasury shares</b><br>The Board seeks shareholder approval for the cancellation of 81,987,000 treasury shares. In  | <b>Oppose</b> |

addition, the Board seeks approval for an amount of up to \$8 billion pesos to be used for the repurchase of shares.

The Company does not provide an indication of the maximum number of shares which can be purchased under the authority sought and therefore the potential dilution of the proposed repurchase authority cannot be determined. Therefore, an oppose vote is recommended.

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| <b>VIII Approve the plan for allocation of results for the period from 1 January 2010 to 31 December 2010</b>   | <b>Oppose</b> |
| There is no disclosure concerning the plan for allocation of results.   |               |
| <b>X Report regarding the fulfilment of fiscal obligations</b>  | <b>Oppose</b> |
| The report has not been published. Therefore, an oppose vote is recommended.  |               |
| <b>XI Approve the Employee Share Plan</b>   | <b>Oppose</b> |
| The Board states that at 31 December 2011 there were 278,834,298 shares issued under the Employee Share Plan, of which 273,581,106 are held in a Trust created for such purpose. All shares are issued at a value not less than the market value at the date of allocation. There is no disclosure as to whether grants under the Plan are capped or whether awards will be subject to satisfaction of performance targets. Therefore, an oppose vote is recommended. |               |
| <b>XII Report from the Wal Mart De Mexico Foundation</b>  | <b>Oppose</b> |
| The report has not been published. Therefore, an oppose vote is recommended.  |               |
| <b>XIII Ratification of the acts of the board of directors during 2010</b>  | <b>Oppose</b> |
| There is no disclosure concerning the proposal. Therefore, an oppose vote is recommended.   |               |
| <b>XIV Elect the members of the Board of directors</b>  | <b>Oppose</b> |
| Shareholder approval is sought for the election of the Board of directors. Individual proposals are considered to be best practice but where a company "bundles" director elections the voting recommendation takes into account the proportion of independent directors on a company's board. PIRC has used its own independence criteria in assessing directors' independence where biographical disclosure allows this.  |               |
| If the proposed Board is approved, the Board post AGM will comprise one Chairman, 2 executive directors and 8 non-executive directors. As only 3 out of 11 Board members are independent according to PIRC guidelines, it is considered that there will be insufficient independence on the Board post AGM, and therefore an oppose vote is recommended.  |               |
| <b>XV Appoint chairperson of the Audit and Corporate Practices committees</b>   | <b>Oppose</b> |
| Mr. Ernesto Vega is currently the Chairman of the Audit and Corporate Practices committees. However the Company does not specify the Board member nominated as Chair of the committees to be voted on under this proposal. Based on the lack of disclosure, an oppose vote is recommended.  |               |
| <b>XVI Approve the resolutions contained in the minutes of the general meeting that is held</b>   | <b>Oppose</b> |
| Based on lack of disclosure, an oppose vote is recommended.   |               |

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**KUNLUN ENERGY CO LTD EGM Date: 2011-03-11**

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| <b>1 To approve the transactions contemplated under the Acquisition Agreement</b>   | <b>Oppose</b> |
| The Board seeks shareholder approval for the transactions contemplated therein, including but not limited to: (a) the acquisition of the of 60% equity interest in PetroChina Beijing Gas Pipeline Co., Ltd. by the Company from PetroChina; and (b) the issue and allotment of the Consideration Shares at the issue price of HK\$10.02 per Consideration Share.   |               |
| Conditional upon the Listing Committee of The Hong Kong Stock Exchange Limited approving the listing of and granting permission to deal in 2,194,384,791 ordinary shares of HK\$0.01 each in the share capital of the Company to be issued to PetroChina Company Limited under the acquisition agreement entered into between the Company and PetroChina dated 31 December 2010.  |               |
| PIRC assesses this type of corporate transaction based on the level of disclosure provided and the overall independence on the Board. While we are satisfied with the level of information provided in justification for the proposed acquisition, we are concerned that the proposal has not been subject to sufficient independent scrutiny as one out of six directors (approximately 17% of the Board) are independent according to our guidelines. We would normally recommend abstention, however, as shareholders are not allowed to abstain at this meeting, we recommend an oppose vote. |               |
| <b>2 To approve the revised annual caps in respect of certain continuing connected transactions between the Group and the CNPC Group</b>  | <b>Oppose</b> |
| The board requests shareholder approval of the revised caps for the transactions pursuant to the  |               |

PSAs and the Master Agreement between the company and CNPC, the ultimate controlling shareholder. The board expect that, owing to the expansion of the Group's business, in particular, the diversification of the Group's business into natural gas downstream distribution and application business, the current caps are likely to be exceeded.

PIRC assesses this type of corporate transaction based on the level of disclosure provided and the overall independence on the board. While we are satisfied with the level of information provided in justification for the proposed acquisition, we are concerned that the proposal has not been subject to sufficient independent scrutiny as one out of six directors (approximately 17% of the board) are independent according to our guidelines. We would normally recommend abstention, however, as shareholders are not allowed to abstain at this meeting, we recommend an oppose vote.

**3 To approve the increase of the authorised share capital**

**Oppose**

The Board proposes the increase of authorised share capital from HK\$80.0 million divided into shares of HK\$0.01 each to HK\$160.0 million divided into shares of HK\$0.01 each.

PIRC assesses this type of corporate transaction based on the level of disclosure provided and the overall independence on the board.

There is concern that the proposal has not been subject to sufficient independent scrutiny as one out of six directors (approximately 17% of the board) are independent according to our guidelines. In addition, we are concerned that the increase in share capital will dilute the shares of existing shareholders. We would normally recommend abstention, however, as shareholders are not allowed to abstain at this meeting, we recommend an oppose vote.

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**MOTOR OIL CORINTH REFINERIES EGM Date: 2011-03-14**

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**1 Approve the issuance of three common Bond Loans**

**Abstain**

In accordance with Article 6 of Law 3156/2003, the board is seeking shareholder approval for the issuance of three common Bond Loans, for amounts of up to €200 million, €50 million and €50 million respectively. The board has stated that the loans in question will replace existing short term bank liabilities of equal amounts. The board has also stated that during 2010 the company acquired Coral S.A. and Coral Gas AEBEY. These acquisitions, along with the new Crude Distillation Unit (CDU) investment, concern a time frame well beyond that of one accounting period. The financing of the acquisitions and the new CDU project was facilitated through the increase of the credit lines granted to the company from the credit institutions with which it traditionally does business. The board states that, as a result, a restructuring of the company's existing bank liabilities, by converting part of its short term to long term debt, is deemed necessary.

It is considered that the company has provided sufficient information about the proposal. However, there are concerns that the proposal was not subject to sufficient independent scrutiny and, therefore, an abstain vote is recommended.

*\*We note that in case the required quorum is not achieved and therefore a decision on the matters of the agenda cannot be made, a repeat Shareholders' Meeting will be held on 28 March 2011.*

**2 Approve the issuance of two common Bond Loans**

**Abstain**

In accordance with Article 6 of Law 3156/2003, the board is seeking shareholder approval for the issuance of two common Bond Loans, for amounts of up to US\$100 million and €50 million respectively. The board has stated that following the developments in the fronts of acquisitions and investments mentioned earlier, it is necessary that the company adapts to the new conditions (enhancement of its activities – increase of Refinery processing capacity by 50%). Therefore, additional funding must be secured, to finance the company's permanent higher working capital requirements, part of which is denominated in US\$, which is the currency in terms of which the supply of crude takes place

It is considered that the company has provided sufficient information about the proposal. However, there are concerns that the proposal was not subject to sufficient independent scrutiny and, therefore, an abstain vote is recommended.

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**SPONDA OYJ AGM Date: 2011-03-16**

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**14 Appoint the auditors**

**Oppose**

KPMG Oy Ab proposed. Non-audit fees for the year in review were EUR 0.4 million, or 200% of the audit fees. On a three year aggregate basis, non-audit fees exceed audit fees. We recommend that shareholders oppose the resolution.

- 17 Shareholder Resolution by Solidium Oy on the appointment of a Nomination Committee** **Abstain**
- The largest shareholder of the company, Solidium Oy, is proposing that the Annual General Meeting appoint a Nomination Committee to prepare proposals to the following Annual General meeting concerning the board members of the company and their remuneration. The proposal states that the three largest shareholders, as determined by the shareholder information entered into the book-entry system, shall each appoint a representative to the Nomination Committee, along with the chairman as an expert member.

The use of nomination committees made up of representatives of large shareholders is common practice in the Nordic markets, especially Sweden.

External nomination committees are not best practice in the Finnish market and we have concerns that they concentrate the nomination powers in the hands of the largest shareholders. Therefore we recommend abstention.

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**AXFOOD AB AGM Date: 2011-03-16**

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- 9 Adopt the Profit and Loss Statement** **Oppose**
- The financial statements have not been verified by the company's auditors and no full annual report was available as of 23 February 2011. Furthermore, we have serious concerns over the absence of the audit committee, which constitutes a breach of what is prescribed by the Swedish Code of Corporate Governance. In light of these concerns, a vote of opposition is recommended.

- 14 Elect the Directors, the Chairman, and Deputy Directors** **Oppose**
- The nomination committee is proposing Antonia Axson Johnson, Peggy Bruzelius, Maria Curman, Fredrick Persson, Odd Reitan, Marcus Storch and Annika Åhnberg for re-election as directors, and that Fredrick Persson be re-elected as chairman of the board. It is common practice for board members in Sweden to be elected using a slate system. Slate elections are evaluated taking into consideration the balance of independent representation on the board. An oppose vote is recommended where an insufficient number of independent directors are included.

As there is insufficient independent representation on the proposed board, it is recommended that shareholders oppose.

- 16 Approve Guidelines for Compensation of Company Management** **Oppose**
- Shareholders are being asked to approve the principles for remuneration to the executives in accordance with Swedish Companies Act. Total executive remuneration consists of fixed salary, short-term variable remuneration, long-term variable remuneration, pension, other benefits and severance payments. The total variable compensation has a cap of 70% of base salary for the CEO and 40%–55% for other members of the executive committee. For the CEO and one other member of the executive committee, an annual contribution corresponding to 35% of base salary exists through insurance premiums. For the other executives, the basic retirement benefit consists of a ITP plan. Added to this is a defined-contribution pension corresponding to 25% of salary amounts. No annual report has been released containing figures for executive compensation for the financial year ending 31 December 2010. Due to the poor levels of disclosure currently relating to executive remuneration, opposition is recommended.

- 18\* Approve Employee Purchases of Shares in Subsidiaries** **Abstain**
- The Board proposes that shareholders resolve to adopt a programme entailing that employees of the Axfood Group be given the opportunity to purchase shares in store companies in Hemköpskedjan, a wholly-owned subsidiary. The company operates approximately 230 group-owned food retail stores in Sweden, of which 65 are in the wholly owned subsidiary Hemköpskedjan AB. These stores are run by independent franchisees. The approval is granted for use with a maximum of ten stores only. The employees who shall have the right to purchase shares shall be store managers (presidents) for store companies that are established within the framework of Hemköpskedjan's store concept. The proposal covers a maximum of ten Hemköp stores and applies for the time until the company's next AGM. With the programme the company intends to create new franchisees through incorporation of stores within Hemköpskedjan AB and thereafter transfer the shares in such subsidiaries to employees. The programme entails that the store manager, as a first step, purchases a maximum of 9% of the shares in a company that is wholly owned by Hemköpskedjan AB for the relevant store. At the same time, the store manager acquires an option giving the right to purchase the rest of the shares in the store company, except for one share to be held by a company within the Axfood Group. In connection with such subsequent purchase of shares in the store company, a franchise agreement would be reached between Hemköpskedjan AB, the store manager and his or her company. The share purchases in the first two steps and the store manager's acquisition of the option shall be made at market price. Acquisition of the option and purchase of the shares in the first step shall be carried out prior to the 2012 AGM. The Board states that a fairness opinion from a financial standpoint for the proposed programme, would be available to shareholders as of 2 March 2011. While the creation of franchises may be seen as a way to align store manager interests with those of the group, this

is not clear as the company does not disclose the rights for the shares to be purchased. In addition, there may potentially be implications in shareholder value as it is not clear whether these franchises would remain part of the consolidated accounts. It is considered that the disclosure on this proposal is not adequate and on this basis it is recommended that shareholders abstain.

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**ELTEKASA EGM Date: 2011-03-17**

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**4 Elect Hugo Maurstad****Oppose**

Nominee Non-Executive Director. Independent by Company, not independent by PIRC as Ketlav Invest own 16.94% of the issued share capital where Mr Maurstad is Chairman and is owned by Altor Fund III GP Ltd who Mr Maurstad serves as investment advisor. There is insufficient independent representation on the board in our view.

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**TCL COMMUNICATION TECH HLDG EGM Date: 2011-03-17**

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**1 Amend the Restricted Share Award Scheme****Oppose**

The Board seeks shareholder approval for 6 amendments to the Restricted Share Award Scheme, under which employees of the Company may be granted share-based awards, at the discretion of the Board, subject to satisfaction of time-based and performance-based target.

1) The Board proposes that Scheme be renamed from “Restricted Share Award Scheme” to “Share Award Scheme”.

2) It is proposed that the Shares to be awarded under the Scheme be renamed from “Restricted Shares” to “Awarded Shares”;

3) It is also proposed that as an alternative to the purchase of shares on the market for any awards made under the Scheme, the Board may have the discretion to decide whether new shares may be allotted and issued. The Board states that this amendment is proposed for the purpose of providing flexibility for the Company to diversify the method of granting shares under the Scheme.

4) The Board also proposes that the aggregate number of shares awarded under the Scheme be amended from 10% of the issued share capital of the Company as at the adoption date of the plan (11 March 2008) to 10% of the issued share capital at the Amendment Date, excluding all the shares awarded under the Scheme up to the Amendment Date. Based on the number of shares currently in issue, a maximum of 110,017,369 shares can be awarded under the Amended Scheme. 10,510,000 Restricted Shares were granted under the Scheme, of which 8,345,000 shares have vested, which are to be excluded from the calculation of the Scheme limit as mentioned above. Accordingly, it is also proposed that the maximum number of Shares which may be awarded to each employee under the Scheme be amended from 1% of the issued share capital as at the Adoption Date to one percent of the issued share capital as at the Amendment Date.

The Board states that this amendment is necessary in light of a number of changes in the share capital of the Company since the adoption date, due to (a) a Share repurchase conducted in March 2008, (b) a Share consolidation effective from 23 January 2009, (c) a rights issue of the Company completed in January 2010 and (d) exercises of Share options.

5) It is proposed that the power to award Returned Shares (those shares which are not vested and/or forfeited in accordance with the terms of the Scheme Rules) shall be solely vested on the Board.

6) It is proposed to delete clause 40.1 of the Scheme so that all shares granted and subsisting prior to such termination shall continue to be in full force and effect in accordance with the Amended Scheme Rules and their terms of issue, rather than immediately lapse at the date of termination of the Scheme. The Board states such amendment is in line with the objective of the Scheme to motivate Employees in attaining long-term business objectives of the Company.

There are concerns over the proposed amendments relating to the maximum aggregate and individual number of issuable under the Scheme, which has the potential effect to enhance the dilutive impact of the Scheme. In addition, it raises concerns that the ‘burn rate’ of the Scheme is excessive and therefore an excessive number of shares have been granted under the scheme so far.

In addition, we have concerns that there is no disclosure of any performance targets used for the determination of the vesting of awards under the Scheme. Furthermore, awards may vest based on length of service only, which we do not support.

Based on our concerns, we recommend an oppose vote.

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**BB BIOTECHAG AGM Date: 2011-03-21**

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- 2 Consultative vote on remuneration payable to the members of the Board of Directors** **Abstain**  
The Board of Directors seeks shareholder approval for the remuneration payable to the members of the Board of Directors for the year under review. The vote on this proposal is non-binding consultative. Directors remuneration for the year (CHF 473,000) comprised cash remuneration (CHF 450,000) and ‘Social security employer’s contribution’(CHF 23,000) .
- Although we are satisfied that aggregate Board remuneration actually decreased from CHF 567,000 in 2009, we do not support the payment of pension to non-executives. In addition, non-executive fees do not comprise an attendance fee, and disclosure on directors’ remuneration is inadequate. On balance, an abstain vote is recommended.
- 5.3 Elect Dr. Erich Hunziker** **Oppose**  
New nominee non-executive director. Based on the lack of biographical disclosure an oppose vote is recommended.
- 6.3 Capital structure and amendment of company bylaws: Contingent capital** **Oppose**  
The Board seeks shareholder approval for the reduction of the level of contingent capital in conjunction with Art. 653 from CHF 9 100 000 to CHF 8 200 000 and to adjust it as follows in accordance with new Art. 3a and new: Art. 3b of the Company’s bylaws.
- Accordingly articles 3a and 3b are proposed to be modified will be modified to allow the Company to increased its share capital by issuing a maximum of 4,100,000 registered shares with a nominal value of CHF 1 each as a result of the exercise of convertible and option bond rights granted in connection with bond obligations or other financial market instruments issued by the Company. The shareholders’ subscription rights are excluded.
- There are concerns over the level of dilution connected to the proposed amendments to articles 3a and 3b of the Company’s bylaws. In addition, there is insufficient disclosure concerning the background and rationale for the proposed reduction of the contingent capital. Based on these concerns, an oppose vote is recommended.

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**DOUGLAS HOLDING AG AGM Date: 2011-03-23**

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- 5 Resolution on the approval of the compensation system for Executive Board members** **Oppose**  
Following the approval of the German law on the appropriateness of management compensation of 31 July 2009 (VorstAG), the Board presents the compensation system to shareholders for approval. Executive remuneration consists of a base salary, a variable bonus and pension contributions. The company does not have a long term incentive plan. The company states that there is a cap on variable remuneration but there is no disclosure of a maximum level of award. In addition, there is no disclosure of specific performance targets, which makes it impossible for shareholders to assess if variable remuneration is sufficiently challenging. Remuneration of the company’s supervisory board consists of a base fee and variable remuneration based on the company’s earnings per share.
- Due to our concerns regarding the lack of disclosure of targets and limits for bonuses and contractual agreements with executives opposition is recommended.
- 6c Re-elect Dr. h.c. August Oetker** **Oppose**  
Independence not declared by the company, not independent by PIRC as he is a member of the Oetker family, which holds 25.81% of the company’s issued share capital through Dr. August Oetker Finanzierungs- und Beteiligungs GmbH. In addition, he has served on the board for more than nine years.
- 6d Re-elect Dr. Ernst F. Schröder** **Oppose**  
Independence not declared by the company, not independent by PIRC as he is Personally Liable Partner of Dr. August Oetker KG, which holds 25.81% of the company’s issued share capital through Dr. August Oetker Finanzierungs- und Beteiligungs GmbH. In addition, he has served on the board for more than nine years.

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**NKT HOLDING A/S AGM Date: 2011-03-23**

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- 6 Approval of the remuneration of the Board** **Oppose**  
The Board is proposing the following remuneration for Board members: Chairman-DKK 900,000; Deputy Chairman-DKK 450,000; Other members-DKK 300,000; Chairman of the Audit Committee-DKK 200,000; other member of the Audit Committee-DKK 100,000.
- nearly all of the amounts proposed do not represent any increase compared to last year’s proposed amounts. However, the proposed Chairman’s remuneration represents a 50% increase which we consider excessive and no justification is provided. Therefore an oppose vote is recommended.

- 8 Appoint the auditors** **Abstain**  
 KPMG Statsautoriseret Revisionspartner- selskab proposed. Non-audit fees represent approximately 31% of the audit fees for the year under review. On a three-year aggregate basis non-audit fees represent approximately 35% of the audit fees. PIRC has concerns that this level of non-audit fees creates a potential for conflict of interest on the part of the external auditor. Therefore, we recommend an abstain vote.
- 9.1 Authorise issue of Warrants to employees and management** **Abstain**  
 The Board seek shareholder approval for the authority to issue warrants to employees and management of the Company and its subsidiaries, giving warrants' holders the right to subscribe a total nominal amount of 600,000 shares of 20 DKK each, representing approximately 2.6% of the issued share capital of the Company. Furthermore, it is proposed that the Board of Directors is authorised to effect the necessary capital increase connected to the exercise of the warrant.
- The proposed authority is not overly-dilutive. However, the Company does not clarify whether all of the employees can participate to the issue of Warrants, and whether the Warrants are issued to satisfy awards under an incentive plan subject to satisfaction of any performance target. Based on the lack of disclosure, an abstain vote is recommended.
- 9.2 Authorise Share Repurchase** **Oppose**  
 Authority limited to 25% of the issued share capital and expires no later than the 2016 AGM. The authority exceeds recommended limits and does not expire within 12 months. An oppose vote is recommended.
- 9.3 Approve supplement to guidelines for use of incentive pay to the members of the Board and the management** **Oppose**  
 The Board of Directors proposes to compensate the warrant holders for the 'deterioration' of their interests in the warrants as a consequence of a change in the Company's capital structure or a proposal of an offer to buy the Company's shares. As the Company does not disclose how it intends to compensate warrants holders, an oppose vote is recommended.
- 9.4 Approve the principles for the remuneration of the members of the Board and management** **Oppose**  
 The Board seeks shareholder approval for the principles for remuneration to the executives in accordance with the Public Companies Act. We would like to take this opportunity to consider general concerns we have over executive remuneration considering shareholders in Denmark are not given the opportunity to vote on share option schemes and arrangements to award executives.
- The Board proposes, inter alia, that Board members receive a basic fees plus a fee for attendance to Audit Committee's meetings of 2/3 of basic fee for the Committee Chairman and 1/3 for the Committee members. Concerning management remuneration the Board proposes that the remuneration package for the management shall consist of a fixed yearly cash salary, a short term cash bonus, a long term incentive pay and other goods in the form of usual non monetary goods and reimbursement of expenses. Also, the Board proposes, inter alia, that pension contribution shall be 15% of the basic salary. Finally, the Board proposes termination of the Company's managing director shall be 24 months. For the Company's remaining group management the notice of termination shall be 12 months. The Company does not disclose aggregate and individual caps for variable pay, intended balance between fixed and variable management pay and there is no indication that any incentive payment will be subject to satisfaction of performance targets. Therefore, we consider that the Company did not provide sufficient information. In addition, we are concerned that a termination notice for the managing directors which exceeds 12 months is proposed. Based on our concerns, we recommend an oppose vote.
- 10 Transact any other business** **Oppose**  
 PIRC does not consider such resolutions appropriate, as shareholders are provided with insufficient information regarding the consequences of supporting the proposal.

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**GENOMMA LAB INTERNACIONAL AGM Date: 2011-03-24**

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- I Approval the financial statements for the fiscal year that ended on 31 December 2010 and allocation of results** **Oppose**  
 PIRC was not able to secure sufficient information from the company to enable us to deliver an informed report. This was despite attempts by PIRC to secure this information from the company and/or its representatives. PIRC's Global service defines reportable companies as those which provide adequate and timely disclosure of materials which explain the meeting agenda.
- PIRC has made best efforts to obtain disclosures for this meeting but has been unable to do so. Unless sufficient information becomes available subsequent to the issuance of these recommendations, PIRC advises clients not to all the proposals put forward at this meeting, with the exception of proposal II.

The financial statements have not been disclosed. An oppose vote is recommended.

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| <b>III Determination of compensation for the members of the board of directors, secretaries and members of the committees of the company</b>   | <b>Oppose</b> |
| The proposed remunerations are not disclosed. An oppose vote is recommended  |               |
| <b>IV Authorise Share Repurchase</b>   | <b>Oppose</b> |
| The Board seeks shareholder approval for the maximum amount of funds that can be allocated to the acquisition of shares of the Company, in accordance with the terms of that which is provided for in article 56, part IV, of the securities market law. As the proposed amount has not been disclosed, an oppose vote is recommended. |               |
| <b>V Amend Articles</b>  | <b>Oppose</b> |
| That proposed amendments are not disclosed. An oppose vote is recommended.   |               |
| <b>VI Designation of special delegates</b>   | <b>Oppose</b> |
| The biographical details of the delegates have not been disclosed. An oppose vote is recommended.  |               |

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**FOMENTO ECONOMICO MEXICANO AGM Date: 2011-03-25**

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| <b>I Receive the Annual Report</b>  | <b>Oppose</b>  |
| The Board seeks shareholder approval for the Report from the general director, the opinion of the Board regarding the content of the report, and reports from the Board with regard to the main accounting and information policies and criteria followed in the preparation of the financial information, transactions and activities in which it has intervened. Approval is also sought for reports from the chairpersons of the audit and corporate practices committees, presentation of the financial reports for the terms of article 172 of the general mercantile companies law and of the applicable provisions of the securities market law. |                |
| None of the proposed reports have been disclosed. Therefore an oppose vote is recommended.  |                |
| <b>II Approve the Report regarding the fulfillment of the fiscal obligations</b>  | <b>Oppose</b>  |
| The report has not been disclosed. Therefore, an oppose vote is recommended.  |                |
| <b>III Approve the allocation of results</b>  | <b>Abstain</b> |
| The Board seeks shareholder approval for the allocation of the results for the 2010 fiscal year. The Board proposes a payment of a cash dividend in the amount of MXN 0.2294 per series B share and of MXN 0.28675 per series D share, corresponding to a total of MXN 1.147 for each FemsA B Unit and MXN 1.3764001 for each FemsA BD Unit. As the financial statements for the year under review have not been disclosed, shareholders cannot establish whether the dividend is covered by earnings. Therefore, an abstain vote is recommended.   |                |
| <b>IV Authorise Share Repurchase</b>  | <b>Oppose</b>  |
| The Board proposes to set at MXN 3 billion as the maximum amount that can be allocated to the purchase of shares of the company. The Company does not set a maximum number of shares which can be repurchased and it is not made clear the timescale of the proposed repurchase programme. Therefore shareholders cannot determine the potential for dilution from the proposed share repurchase. Based on the lack of disclosure, an oppose vote is recommended.   |                |
| <b>V Elect Board members and determine their compensation</b>   | <b>Oppose</b>  |
| The Board seeks shareholder approval for the election of the members of the Board of directors and secretaries and determination of their compensation. There is no discourse of the biographical details of the proposed Board members and of the proposed compensation limit. Therefore, an oppose vote is recommended.   |                |
| <b>VI Elect Board's committees members and determine their compensation</b>   | <b>Oppose</b>  |
| The Board seeks shareholder approval for the election of members of the following: i. finance and planning, ii. audit and iii. corporate practices committees, designation of the chairperson of each one of them and determination of their compensation. There is no discourse of the biographical details of the proposed Board members and of the proposed compensation limit. Therefore, an oppose vote is recommended.  |                |

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**NUTRECO NV AGM Date: 2011-03-28**

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| <b>6 Appointment of auditor to audit the 2012 Financial Statements</b>   | <b>Abstain</b> |
| KPMG Accountants N.V proposed. Non-audit fees were approximately 31.8% of audit and audit related fees during the year under review. Non-audit fees over a three year basis were approximately 26.5% of audit and audit related fees. This level of non-audit fees raises questions regarding auditor independence and we recommend that shareholders abstain. |                |

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**TORONTO DOMINION BANK AGM Date: 2011-03-31**

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| <b>1.02 Re-elect Hugh J. Bolton</b>   | <b>Withhold</b> |
| Non-executive director. Independent by Company, independent by PIRC. However, we have concerns over his potential aggregate time commitments and therefore a withhold vote is |                 |

recommended.

**1.06 Re-elect Wendy K. Dobsen** **Withhold**

Non-executive director. Independent by Company, not independent by PIRC as she has served on the Board for more than nine years. In our view there is insufficient independent representation on the Board.

**1.07 Re-elect Henry H. Ketcham** **Withhold**

Non-executive director. Independent by Company, not independent by PIRC as he has served on the Board for more than nine years. In our view there is insufficient independent representation on the Board.

**1.08 Re-elect Pierre H. Lessard** **Withhold**

Non-executive director. Independent by Company, not independent by PIRC as he has served on the Board for more than nine years. In our view there is insufficient independent representation on the Board.

**1.14 Re-elect Helen K. Sinclair** **Withhold**

Non-executive director. Independent by Company, not independent by PIRC as she has served on the Board for more than nine years. In our view there is insufficient independent representation on the Board.

**1.16 Re-elect John M. Thompson** **Withhold**

Non-executive director. Independent by Company, not independent by PIRC as he has served on the Board for more than nine years. In our view there is insufficient independent representation on the Board.

**3 Approve Pay Structure** **Oppose**

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The vote on this proposal is non-binding and advisory. The voting outcome for this resolution reflects the balance of our opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The Compensation Rating is: CDD (Disclosure Rating of C; Reward Balance Rating of D; and Contracts Rating of D).

C: The Compensation Committee is not fully independent, and there is no statement on how total compensation levels are determined with reference to the company's comparative performance. Performance targets and vesting scales are not fully disclosed. Finally, there is no evidence that pay elsewhere in the Company is considered for the determination of NEO pay.

D: The lack of disclosure of clear targets and vesting scales does not allow an informed assessment of whether targets are challenging. Most of stock-based awards vest after a three-year period, with the exception of options awarded up to 2009 which vest over a three-year period. In addition, non-financial criteria are not used for the determination of annual bonuses.

D: Severance arrangements are clearly described although 'good reason' is not adequately determined. Potential payouts upon termination exceed three times salary and bonus for most of the NEOs

Based on the rating, we recommend an oppose vote.

**4 Shareholder Proposal No. 1: Critical mass of qualified women on the Board** **Oppose**

Proposed by: The Mouvement d'éducation et de défense des actionnaires (MÉDAC).

MEDAC is proposing that the Board adopts a policy of equal representation, to be achieved within no more than 10 years. The proponent states that studies showed a number of benefits in boards with higher number of women, including: better performance in financial crises due to less risk-taking; better governance; less short-termism; and better reception amongst investors.

The Board advises shareholders to oppose the proposal. The Board states that the Company is 'proud' of the representation of women on the Board, as five of 15 director nominees are women (33%), including the latest appointed director Amy Brinkle. In addition, the Board states that the Corporate Governance Guidelines of the Company direct the Board to make every effort to promote diversity at Board level, including by advancing women.

PIRC does not consider gender or race to be directly linked to the propensity to act independently. In addition, as it is proposed that in practice at least 50% of the Board comprises of female directors, this makes it likely that male directors become a minority group and, in the case of an uneven number of directors, this would instigate a discriminatory practice against male directors which is not considered best practice. The Board appears to directly address the question of whether diversity is included among the selection criteria. An abstain vote is usually recommended however, as this is not an option at this meeting, an oppose vote is recommended.

**6 Shareholder Proposal No. 3: Abolition of subsidiaries and branches in tax havens** **Oppose**

Proposed by: The Mouvement d'éducation et de défense des actionnaires (MÉDAC).

MÉDAC is proposing that the Board adopts a policy stipulating that the Bank undertakes to give up all of its subsidiaries and branches in tax havens as that term is defined by the OECD. MÉDAC has had concerns over this issue for the past several years and in 2005 it made a shareholder proposal requesting that tax havens be shut down. The proponent states that according to Statistics Canada, Canadian direct investment abroad in tax havens between 2003 and 2008 increased from \$94 billion to \$146 billion, representing over 20% of Canadian investment abroad.

The proponent believes that inherent in moving to tax havens is the possibility of avoiding income and that other taxes in the jurisdiction of origin is in direct opposition to principles of solidarity, justice and redistribution. The proponents also believes that Canadian banks and their customers have an obligation to pay their fair share of the financing of the public services from which they benefit. Finally, the proponent believes that the lack of tight regulations and adequate governance standards in tax heavens facilitated the creation of those complex financial products which were at the root of the recent financial crisis.

The Board advises shareholders to oppose the proposal. The Board believes that global operations are important to the Company's success. The Company states it is subject to and complies with the varying tax regulations, some of which impose a higher rate and others a lower rate than Canada. The Board clarifies that the Company makes 'substantial' disclosure of its international operations to Canadian tax authorities.

PIRC is sympathetic towards the proponent's request and shares the concerns over the use of tax havens and exploitations of loopholes in legislations for the purpose of tax avoidance. However, we are satisfied that the Company complies with international agreed standards on exchange of information concerning tax matters. In addition, the closure and re-location of all branches located in tax havens may prove costly for shareholders to implement difficult to arrange at operational level and the proponents does not seem to address this matter. The resolution is deemed to be too prescriptive and would impact on financial management and operations. An abstain vote is usually recommended however, as this is not an option at this meeting, so an oppose vote is recommended.

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