

PIRC Summary Report Appendix

Global

NB DISTRESSED DEBT INVESTMENT FUND LTD AGM Date: 2011-07-06

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| 1 | Receive the Audited Annual Financial Report and Financial Statements
There are no SEE or institutional voting policies in place. | Oppose |
| 3 | Re-elect Mr Patrick Flynn
Managing Director. Mr. Flynn is the Co-head of distressed portfolio management at the Investment Manager. PIRC does not support investment manager representatives on the Board. Therefore, an oppose vote is recommended. | Oppose |
| 5 | Re-elect Mr Michael Holmberg
Managing Director. Mr. Holmberg is the Co-head of distressed portfolio management at the Investment Manager. PIRC does not support investment manager representatives on the Board. Therefore, an oppose vote is recommended. | Oppose |
| 8 | Appoint the auditors
KPMG Channel Islands Limited proposed. No audit fees have been disclosed for the year under review, therefore it is not possible to determine the impact of the auditors' independence. | Oppose |

HYPERMARCAS SA EGM Date: 2011-07-07

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| E | Approve the aggregate and annual remuneration of the managers of the Company
Shareholder approval is sought for fixing the aggregate limit for the remuneration of the administrators of the Company (Board of Directors, and Management) at R\$18,000,000.0 (equivalent to 7,010,794.05 GBP). The limit does not represent an increase compare to the previous year. However, it is noted that expected remunerations per member of the management represent a 59% compared to amounts paid in 2010, while remuneration per Board member is expected at a 9.8% increase. Furthermore, 2010 remuneration represent a 345 increase per member of the Management and 14% increase per Board member, compared to 2009 remuneration.

Due to the level of increases in expected and actual remuneration, an oppose vote is recommended. | Oppose |
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ADCAPITALAG AGM Date: 2011-07-08

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| 5c | Re-elect Hans-Joachim Strüder
Independence not declared by the company, independent by PIRC. However, there are concerns over his potential aggregate time commitments. Therefore, a vote to oppose the proposal is recommended. | Oppose |
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APERAMSA AGM Date: 2011-07-12

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| 5 | Decision to authorise a Restricted Share Unit Plan and a Performance Share Unit Plan 2011
The Board seeks shareholders approval for the authority to issue up to 70,000 Restricted Share Units (RSU) and up to 20,000 Performance Share Unites (PSU) under the Restricted Share Unit Plan and the Performance Share Unit Pla, respectively. Vesting of wards under the RSU Plan is subject to vesting after 3 years contingent upon continued active employment and is not performance based. The PSU awards are cliff vested for three years and subject to proposed performance criteria which include Return On Capital Employed and Total Cost of Employment per ton of steel produced. The shares issuable under the RSU and PSU plan together are capped at a maximum of 110,000 shares, representing less than 0.15% of the Company's total share capital. The authority expires at the next AGM.

The are concerns that awards under the RSU plan vest only based on length of service and are not performance-based. In addition, individual caps have not been disclosed under both plans and quantifiable targets under the PSU plan are not disclosed. Based on these concerns, shareholders are recommended to oppose this proposal. | Oppose |
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JOHNSON ELECTRIC HOLDINGS AGM Date: 2011-07-20

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| 1 | Receive the Annual Report
Disclosure is adequate and the report was made available sufficiently before the meeting. The financial statements have been audited and certified. However, there are serious corporate governance concerns the Executive Vice Chairman Winnie Wing-Yee Wang is a member of the Remuneration Committee. We also note that Ms Wang is a member of the Wang family, the controlling shareholder of the company, and has family connection with four other directors, two of whom are executives (including the Chairman of the board). In our view, executives should not be directly involved in the process of determination of their own compensation. Therefore, opposition is recommended. | Oppose |
| 3a | Re-elect Yik-Chun Koo Wang
Non-executive director and Honorary Chairman. Not independent by Company, not independent | Oppose |

by PIRC as she is the co-founder and a former executive of the Johnson Electric Group and she a member of the Wang family, the controlling shareholder of the Company. Madame Wang is the mother of the Chairman and Chief Executive of the Company, Dr Patrick Shui-Chung Wang; the Vice-Chairman, Winnie Wing-Yee Wang; and Peter Kin-Chung Wang, a Non-Executive Director of the Company. She is the grandmother of executive director Austin Jesse Wang. There is insufficient independent representation on the Board in our view.

5 Appoint the auditors **Oppose**

PricewaterhouseCoopers proposed. Non-audit fees were approximately 24% of audit fees for the year under review. On a three-year aggregate basis, non-audit fees represent approximately 21% of audit fees. However, Mr. Blackwell Paul, Director and Chairman of the Audit Committee, was a Senior Partner and Chairman of PricewaterhouseCoopers from 1994 to 2001, which is considered to be material to the independence of the auditors, and therefore recommend shareholders oppose their re-election.

6* Amend the Bye-laws of the Company **Abstain**

Authority is sought to amend the Bye-laws of the Company to bring them in line with Listing Rules. The following amendments are proposed: (i) allowing the Company to use the Company's website and other electronic means to send or make available notices or documents to the Shareholders; and (ii) allowing the Company to send summary financial statements to Shareholders.

The proposed replacement of Bye-law 46 with a new text related to share registration raises concerns. The new Bye-law stipulates that registration may be suspended and the register may be closed for a maximum of thirty days per year. Given the new Bye-law 176 (A) iii, whereby the company will send notice or documents in reference to the register as it stands not more than fifteen days before the date of service or delivery without being invalidated by future changes in the register, it appears that the purpose of this article is to establish to whom the company must deliver documents. However, a full analysis of the effects of the changes is restricted by the failure to disclose either the existing bylaws or the final text to be approved. Given this, the potential use of Bye-law 46 for share blocking can not be eliminated. On this basis, it is recommended shareholders abstain on the proposed amendments.

7 Authority to issue shares **Oppose**

The directors seek a general authority to issue and allot shares without pre-emptive rights up to a limit of 20% of the issued share capital. There are concerns that the authority as stated does not limit the number of times during the period prior to the next AGM when directors may exercise the powers granted. Approving this resolution may lead to substantial dilution of existing shareholdings, as directors will be authorised to issue shares up to the 20% limit more than once during the period. There are also concerns at the absence of a limit which prevents repeated issues at a discount to market price of shares other than to existing shareholders. Based on the above concerns, opposition is recommended.

9 Extend the general mandate granted to the Directors to issue additional shares repurchased by the Company pursuant to Resolution 8 **Oppose**

The directors seek authority to re-issue those shares repurchased under the authority granted by proposal 8. The effect of the proposal, if approved, would be to extend the limit for issuance of shares without pre-emption rights from 20% to 30% of issued share capital. Given the concerns over the potential for repeated use of the issuance authority during the relevant period and the lack of limits on discounted issues, opposition is recommended.

10 Amend the Long-Term Incentive Share Scheme of the Company **Abstain**

Authority is sought to amend the Long-Term Incentive Share Scheme of the Company. The following amendments are proposed: (i) the deletion of the statement that states that the Shares granted in the scheme exclude any "Shares issued pursuant to the Scheme and any other existing scheme" in Clause 4; (ii) the amendment of Clause 5 to change the vesting period of awards from 30 days to 60 days; (iii) the amendment of Clause 7 to allow the Board at its sole discretion to determine what portion of the Award (if any) will vest and the date of any such vesting; and (iv) the deletion of the statement in Clause 7 that states "No dividends are payable on Shares which have been granted conditionally and not yet vested".

The amendments proposed increase the authority of the Board to grant Long-Term Incentive Shares under the Plan, it is considered that there is insufficient independent representation on the Board to approve such an authority. An abstain vote is recommended.

HYPERMARCAS SA EGM Date: 2011-07-20

E Approve the aggregate and annual remuneration of the managers of the Company **Oppose**

Shareholder approval is sought for fixing the aggregate limit for the remuneration of the administrators of the Company (Board of Directors, and Management) at R\$18,000,000.0 (equivalent to 7,010,794.05 GBP). The limit does not represent an increase compare to the previous

year. However, it is noted that expected remunerations per member of the management represent a 59% compared to amounts paid in 2010, while remuneration per Board member is expected at a 9.8% increase. Furthermore, 2010 remuneration represent a 345 increase per member of the Management and 14% increase per Board member, compared to 2009 remuneration.

Due to the level of increases in expected and actual remuneration, an oppose vote is recommended.

VTECH HLDGS LTD AGM Date: 2011-07-22

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| 3c | Re-elect Patrick Wang Shui Chung
Non-executive director. Independent by Company, not independent by PIRC as he sits on the board of Hongkong and Shanghai Banking Corporation, one of the Company's principal bankers. Furthermore, he has been on the Board for more than nine years. There is insufficient independent representation on the Board in our view, therefore opposition is recommended. | Oppose |
| 4 | Appoint the auditors and allow the board to determine their remuneration
KPMG proposed. Non-audit fees were approximately 75% of audit fees during the year under review. Non-audit fees over a three year basis were approximately 60% of audit fees. There are concerns that this level of non-audit fees creates a potential for conflict of interest on the part of the independent auditor. It is not possible to abstain on this resolution. Therefore, it is recommended shareholders oppose. | Oppose |
| 6 | Authority to issue shares
The directors seek a general authority to issue and allot shares without pre-emptive rights up to a limit of 10% of the issued share capital. There are concerns that the authority as stated does not limit the number of times during the period prior to the next AGM when directors may exercise the powers granted. Approving this resolution may lead to substantial dilution of existing shareholdings, as directors will be authorised to issue shares up to the 20% limit (when used in connection with the extension proposed in resolution seven) more than once during the period. There are also concerns at the absence of a limit which prevents repeated issues at a discount to market price of shares other than to existing shareholders. Based on the above concerns, opposition is recommended. | Oppose |
| 7 | Extend the general mandate to issue shares without pre-emption rights to repurchased shares
The directors seek authority to re-issue those shares repurchased under the authority granted by proposal 5. The effect of the proposal, if approved, would be to extend the limit for issuance of shares without pre-emption rights from 10% to 20% of issued share capital. Given the concerns over the potential for repeated use of the issuance authority during the relevant period and the lack of limits on discounted issues, opposition is recommended. | Oppose |
| 8 | Approve the adoption of the 2011 Share Option Scheme
Authority is sought to approve the adoption of the 2011 Share Option Scheme and the cancellation of the existing share option scheme of the Company. Initially, the maximum number of Shares which may be issued upon exercise of all Options to be granted under the Plan shall not exceed 10% (representing 24,833,613 Shares) of the aggregate of the Shares in issue as at the Adoption Date. However the maximum number of Shares that may be issued is stated to be the maximum of "30 per cent. of the Shares in issue from time to time". The 30% maximum exceeds guidelines. The Scheme is valid for the period of 10 years. | Oppose |

The Board states the Scheme will provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensation and/or providing benefits to the Participants for their contributions and/or potential contributions to the Group. The maximum award to any individual in any calendar year is 1% of shares in issue and further awards will require shareholder approval. Awards to major shareholders are limited to 0.1% or a value of HK\$5 million.

In addition, there is no requirement for performance conditions to be applied. Based on these concerns, it is recommended shareholders oppose.

ALLIED IRISH BANKS AGM Date: 2011-07-26

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| 1 | Receive the Annual Report
PIRC has identified governance concerns relating to the current board and committee composition however in the context of the failure of the bank and rescue by the state such concerns are considered subordinate to the immediate need to restore the financial stability of the company. This does not indicate a lack of concern over the serious governance failure which have contributed to the loss of shareholder value and PIRC will raise concerns over those individuals considered responsible in respect to their election where relevant. | Oppose |
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We consider the report and accounts to be misleading in the context of significant unreported losses yet to come. Despite a total loss of economic interest shareholders maintain an interest in the future of the business and government funding of the company is of direct benefit to those

shareholders who maintain a holding. The share price has declined from approximately 15 Euros per share to just 13 cents in five years.

- 4 Shareholder proposal: To appoint Mr. Niall Murphy as a Director** **Abstain**
Mrs. Loraine Murphy propose the appointment of Mr. Niall Murphy, a former employee of the Company, as a Director. The Company states that this proposal has been put forward each year since 1999. His name first went before shareholders for appointment as a Director, on foot of a similar notice from a shareholder, in 1988. The Board explain that in each occasion the resolution has been rejected by the shareholders.

As there is inadequate biographical disclosure and no statement in support to this proposal has been made available, an abstain vote is recommended.

CARPHONE WAREHOUSE GROUP PLC AGM Date: 2011-07-27

- 2 Approve the Remuneration Report** **Oppose**
Policy disclosure is inadequate. The annual bonus scheme is based on EPS together with specific business unit targets based on a scorecard which takes into account financial (headline EPS) and non-financial criteria. An adequate breakdown of the performance conditions have been provided however the specific targets have not been quantified. Annual bonuses granted during the year to Messrs Taylor and Langstaff amounted to approximately 163% of their respective salaries.

The company operates a number of long and medium term incentive plans, however there is no disclosure of individual caps and clear vesting scales, and awards granted or vested under each plan are not clearly stated. This creates concerns over the potential excessiveness of aggregate awards and whether the grant of awards under such plans is conditional to performance which are sufficiently challenging. Rating: DDB.
- 4 Re-elect Charles Dunstone** **Oppose**
Non-executive Chairman. Not independent upon appointment as he is the founder, former CEO, and currently holds approximately 29% of the issued share capital of the company.
- 7 Re-elect John Gildersleeve** **Oppose**
Non-executive director. Independent by the company, not independent by PIRC as he has served on the board for more than nine years. There is insufficient independent representation on the board.
- 10 Appoint the auditors** **Abstain**
Deloitte LLP proposed. Consultancy-related non-audit fees of GBP 0.2m are equivalent to approximately 25% of the audit fee during the year, and are greater than 25% of the audit fee on a three-year aggregate basis. This raises independence concerns over the external auditors. A vote to abstain on the resolution is recommended.
- 14 Authorise Share Repurchase** **Abstain**
Authority limited to 10% of the issued share capital and expires no later than the next AGM. However, there is no written assurance that EPS targets will be adjusted to take account of the effect of any share buyback during the year and therefore an abstention is recommended.

LEE & MAN PAPER MFG LTD AGM Date: 2011-07-28

- 1 Receive the Annual Report** **Oppose**
The report was made available to shareholders sufficiently before the annual meeting. The statements have been audited and certified.

However, Mr Kashima Kunihiko, an Executive Director, sits on the Remuneration Committee which is considered to be a serious breach of best practice.

There is a clear lack of disclosure surrounding directors remuneration, with no quantifiable performance targets being provided and no break down of the level of fees paid to board members. For these reasons it is recommended shareholders oppose.
- 5 Re-elect Professor Poon Chung Kwong** **Oppose**
Non-executive Director. Not independent by company, not independent by PIRC as he is related to the Chairman Mr Lee Wan Keung Patrick, Chief Executive Mr Lee Man Chun Raymond and General Manager Mr Lee Man Bun. There is insufficient independent representation on the board.
- 6 Approve the Remuneration paid to Directors for the year ended 31 March 2011** **Oppose**
The main concern lies in a failure to disclose any quantifiable performance measures and or a break down of the level of fees paid to individual directors. Whilst the board does disclose that non-executives are entitled to an annual remuneration of HK\$200,000, there is no assurance provided that performance related awards will not be paid to said directors. PIRC is opposed to

the participation of non-executives within performance related pay schemes. Further, there is no indication of the factors used to determine the level of remuneration paid to both Executive and Non-executive Directors at the Company. In addition, Mr Kashima Kunihiko sits on the remuneration committee as an Executive Director. On the basis of these concerns it is recommended shareholders oppose.

- 7 Authorise the board to fix the remuneration of directors.** **Oppose**
 The Board proposes that aggregate remuneration (excluding bonuses in favour of Directors) shall not exceed HK\$10 million. It is also proposed that aggregate bonuses payable to all the Directors in any one year shall not exceed 10% of the consolidated profit after taxation of the Company and its subsidiaries.

Whilst it is welcome that both the level remuneration and aggregate bonuses are capped, there is now breakdown of how this level is determined. Further to this, there is no assurance provided that non-executives are excluded from participating in performance related pay schemes or, for that matter, whether quantifiable performance measures are actually used at all in the determination of directors' remuneration. Finally, there is no disclosure of quantifiable targets used for the vesting of awards. On the basis of these concerns it is recommended shareholders oppose.

- 9 Grant a general mandate to the Directors to issue new shares in the capital of the Company** **Oppose**
 The directors seek a general authority to issue and allot shares without pre-emptive rights up to a limit of 20% of the issued share capital. There are concerns that the authority as stated does not limit the number of times during the period prior to the next AGM when directors may exercise the powers granted. Approving this resolution may lead to substantial dilution of existing shareholdings, as directors will be authorised to issue shares up to the 20% limit more than once during the period. There are also concerns at the absence of a limit which prevents repeated issues at a discount to market price of shares other than to existing shareholders. Based on the above concerns, opposition is recommended.

- 11 Extend the general mandate for Authorisation of Share Repurchase** **Oppose**
 The directors seek authority to re-issue those shares repurchased under the authority granted by proposals 9 and 10. The effect of the proposal, if approved, would be to extend the limit for issuance of shares without pre-emption rights from 20% to 30% of issued share capital. Given the concerns over the potential for repeated use of the issuance authority during the relevant period and the lack of limits on discounted issues, opposition is recommended.

ASIA PACIFIC FUND INC AGM Date: 2011-08-17

- 1 Re-elect Robert H. Burns** **Withhold**
 Non-Executive Director. Independent by Company, not independent by PIRC as he has served on the Board for more than nine years. There is insufficient independent representation on the Board.
- 2 Re-elect Michael J. Downey** **Withhold**
 Non-Executive Director. Independent by Company, not independent by PIRC as he has served on the Board for more than nine years. There is insufficient independent representation on the Board.

PERFECT WORLD CO LTD -ADR AGM Date: 2011-08-21

- 1 Amend Articles: Approve changes to share classification** **Oppose**
 The Board proposes changing the Amended and Restated Memorandum and Articles of Association by replacing it with the following paragraph: "Upon any sale, transfer or disposition of Class A Ordinary Shares by a holder thereof to any person or entity which is not an Affiliate of such holder, such Class A Ordinary Shares shall be automatically and immediately converted into an equal number of Class B Ordinary Shares."

The Company maintains a two-tier class system for ordinary shares, divided into Class A and Class B Ordinary Shares which carry different voting and conversion rates. Holders of the former are entitled to 10 votes per share whereas the former only receive 1.

The Founder, Chairman and Chief Executive, Michael Yufeng Chi holds 22.8% of issued share capital (representing 37,042,625 Class A ordinary shares and 20,215,215 Class B ordinary shares) through sole ownership of Perfect Human Holding Company Limited. This translates to approximately 65% of total voting rights at the Company. In the event that Mr Chi decides to sell his Class A shares the proposal ensures that his control over the Company would not be transferrable to the buyers of said shares.

Whilst PIRC is in favour of equitable and equal voting rights for all shareholders, the proposal is geared towards protecting the interests of Mr Chi rather than facilitating equal voting and conversion rights for all shareholders. On this basis, it is recommended shareholders oppose.

4 Authorise each of the directors to take any and every action necessary to effect resolutions 1 to 3 **Oppose**

The Company does not clarify whether this proposal is subject to the approval of the preceding resolutions or in fact supercedes them.

Due to concerns identified with the first resolution, seeking amendments to the Articles, it is recommended shareholders oppose this resolution.

PROSPECT JAPAN FUND LTD AGM Date: 2011-08-22

1 Approve the Annual Report and Audited Financial Statements of the Company for the year ended 31 December 2010 **Oppose**

Disclosure is adequate. The financial statements have been audited and certified. The reports have been made available to shareholders sufficiently prior to the date of the general meeting. However, there is no SEE policy related to the investment portfolio, and the investment manager's remuneration does not comprise any performance fee. Therefore, an oppose vote is recommended.

4 Re-elect Rupert Evans **Oppose**

Non-Executive Director. Not independent by Company, not independent by PIRC as he is a director of Prospect Asset Management (Channel Islands) Limited, the investment manager. PIRC does not support the appointment of directors relate to investment managers

S.1* Approve the Winding up of the Company **Oppose**

The Board explains that article 143(a) of the Company's Articles of Association provides that a special resolution shall be put forward at the 2002 AGM and at every third general shareholder meeting thereafter, for the Company to be wound up. The Board states that the resolution has been put forward at the 2002, 2005, and 2008 AGMs and it has never been approved by shareholders.

The Board recommends shareholders not to support the winding up proposal. PIRC also recommends an oppose vote.

S.2* Adopt new Memorandum and Articles of Incorporation **Abstain**

The Board explains that the Company (Guernsey) Law 2008, was introduced on 1 July 2008 as a complete revision of the previous Company Law. The Board proposes that new Memorandum and Articles of Incorporation be approved in order to reflect certain changes brought in the new 2008 Companies Law. The Board believes that such changes will allow the Company to be more flexible.

The amendment proposed include, inter alia, the following: the Company will be stipulated as being a 'non-cellular company'; the objects of the Company will be unrestricted: the board will have unlimited authority to issued shares over a five-year period; introduction a 14-days minimum notice limit for general meeting of shareholders; poll can be demanded by, inter alia, five shareholders in person or by proxy; introduction of a minimum 14-days notice for shareholder proposals regarding Board appointments; removal of the provision under which dividends can only be paid out of profit resulting for the Company's business: communication to shareholder by way of electronic means.

Although there are no governance concerns over most of the proposed changes, there are concerns that the Company does not disclose in full the proposed new Memorandum and Articles of Incorporation. In addition, there are concern over the potential dilutive impact of the unlimited authority given to the Board under the new Memorandum and Articles to issue shares. Based on these concerns, an abstain vote is recommended.

S.4* Approve the deletion of paragraphs 5(1), 5(2), and 6 and that paragraph 5 be renumbered as paragraph 6 **Abstain**

There is no disclosure of the paragraph for which deletion is proposed. Therefore, an abstain vote is recommended.

TRACTEBEL ENERGIA SA EGM Date: 2011-08-22

3 Adapt a bylaws provision to law number 12431.2011, to confer on the Board of Directors the authority to issue convertible debentures **Oppose**

Shareholder approval is sought to adapt the Company's bylaws to law number 12431.2011, to confer on the Board of Directors the authority to issue convertible debentures. The new articles will limit the authority to the authorized capital less, if any, any capital already subscribed for the issue of debentures convertible into shares already approved by Board of Directors. The introduction of a cap on the authority to issued debentures is welcomed. However, there is no indication that such authority will be subject to shareholder approval. This raises concerns over the Board's discretion to authorise issue of debentures which may ultimately result in substantial

dilution for existing shareholders. Therefore, an oppose vote is recommended.

- 5 Re-elect Philip Gotsall Cox** **Abstain**
New nominee Non-Executive Director. Independent by PIRC. However, there are concerns over his potential aggregate time commitments. Therefore, an abstain vote is recommended.

AURORA RUSSIA EGM Date: 2011-08-24

- 2 Remove Mr Grant Cameron as a director** **Oppose**
PIRC understands the proponents' concerns over the Board's ability to implement a successful strategy and ultimately return value to shareholders. However PIRC does not support the removal of Mr Grant Cameron as he is an independent director.
- 5 To appoint Mr Peregrine Moncreiffe as a director** **Abstain**
PIRC understands the proponents concerns over the Board's fitness to implement a successful strategy and ultimately return value to shareholders. Therefore we will support the appointment to the Board of additional independent Directors with a proven knowledge of the Russian market and a proven track of delivering shareholder return in similar companies. However, in our view any appointment should be made through a transparent and independent process, which is not the case of Mr Moncreiffe. Mr Moncreiffe has replied to PIRC's initial query by stating that he is aware that technically the Panel would consider him and Mr Slesinger a concert party but that is irrelevant as they are not 'seeking to control the Board' and he 'will act in the interest of all shareholders'. Based on these concerns, an abstain vote is recommended.
- 6 To appoint Mr Timothy Slesinger as a director** **Abstain**
PIRC understands the proponents concerns over the Board's fitness to implement a successful strategy and ultimately return value to shareholders. Therefore we will support the appointment to the Board of additional independent Directors with a proven knowledge of the Russian market and a proven track of delivering shareholder return in similar companies. However, in our view any appointment should be made through a transparent and independent process, which is not the case of Mr Slesinger. Based on these concerns, an abstain vote is recommended.

BALMORAL INTERNATIONAL LAND PLC AGM Date: 2011-08-25

- 2.A Re-elect Tom Neasy** **Oppose**
Executive Director. Founder of Neasy Project Management Ltd, which provides advisory and project management services to Fyffes Group, the controlling shareholder. As the majority of the Board is connected to the controlling shareholder and the Board comprises a majority of executives, an oppose vote is recommended.
- 2.B Re-elect Philip Halpenny** **Oppose**
Finance Director. Former Managing Director of Corporate Affairs and the company secretary of Fyffes Plc, the controlling shareholder. As the majority of the Board is connected to the controlling shareholder and the Board comprises a majority of executives, an oppose vote is recommended.
- 2.C Re-elect Carl McCann** **Oppose**
Executive Chairman. Former Executive Chairman of Fyffes, the controlling shareholder. PIRC does not support the appointment of a Chairman connected to the controlling shareholder. In addition, PIRC considers that the Board's Chairman should not have executive responsibilities. Therefore, an oppose vote is recommended.
- 3 Fix the remuneration of the auditors for the year ending 31 December 2011** **Oppose**
Normally, PIRC will consider this a standard proposal. However, as the audit firm is not up for election this year, we will express our concerns over the level of non-audit fees in this resolution.

Non-audit fees exceed audit fees for the year under review and on a three year aggregate basis. PIRC has concerns that the level of non-audit fees creates the potential for a conflict of interest on the part of the external auditor. Therefore, an oppose vote is recommended.
- 5* Issue shares for cash** **Oppose**
Authority limited to 10% of the issued share capital and expires no later than the next AGM. Does not meet guidelines.

BALMORAL INTERNATIONAL LAND PLC EGM Date: 2011-08-25

- 1 Approve the Reorganisation** **Oppose**
Subject to and conditional upon the passing of all of the Resolutions put forward at this general meeting of shareholders, shareholder approval is sought for the proposed Reorganisation.

The Directors believe that, as a precursor to raising new equity and/or securing new medium to long term banking facilities, it is necessary to adopt a new group structure. The Board states that the global economic downturn has had an 'acute' negative impact on the property sector, both internationally and locally. This, in turn, has considerably constrained the Company's ability to operate successfully and has caused the Group to limit its recent activity to the management and

improvement of its existing assets and the control of costs. However, the Board feels that the current situation also potentially provides significant market opportunities for those with the resources to take advantage of them.

The Board has concluded that, in conjunction with seeking to renegotiate its current banking facilities with its existing lenders, a new unencumbered Group holding company is required in order to facilitate the raising of new equity from either current Shareholders and/or new shareholders and to negotiate new banking facilities. The completion of the Reorganisation, will result in the cancellation of admission to trading of the Ordinary Shares on ESM and AIM. The current capital constraints on the Group mean that it is not possible under the ESM and AIM Rules to seek admission to trading on ESM and AIM of the New Ordinary Shares which will be issued to Shareholders pursuant to the Reorganisation.

The Board explains that several of the Group's loans are subject to review and/or repayment in 2011. In July 2011 the Company negotiated a two year extension, to 1 January 2013, of its borrowing facilities of €45.9 million on its Dutch property portfolio. The Company is engaged in discussions with each of the relevant banks, and the Board anticipates reaching satisfactory conclusions to these discussions and, accordingly, expects to have sufficient resources to meet its ongoing requirements.

Under the proposed Group Reorganisation, the Board is proposing to establish a new holding company, Balmoral Holdings, which will hold all of the Ordinary Shares in the Company. As a consequence, Shareholders will receive one ordinary share of €0.00001 in Balmoral Holdings for every Ordinary Share held by them in the Company. Except for the lower par value of a share in Balmoral Holdings, the new holding company will have the same memorandum and articles of association, board and management team as the Company on completion of the Reorganisation and Cancellation. The proposed Reorganisation will take effect through the following steps: 1) Incorporation of Balmoral Holdings; 2) Issue of shares in Balmoral Holdings to Shareholders; 3) Creation of shareholding link between Balmoral Holdings and the Company; 4) Redemption of the shareholdings of the original members of Balmoral Holdings; Cancellation of Existing Issued Share Capital in the Company.

The Company reported a loss of approximately Euro 30 million this year after a loss of approximately 90 million the previous year. The latest tradeable share price of Euro 1 per share represents a 50% discount to the tradeable share price of Euro 1.50 at year end (31 December 2010). The Board is dominated by executives and the majority of the directors are connected to the controlling shareholder, Fyffes plc. Despite the poor performance there is no evidence of extensive changes at Board level and none are planned in conjunction with the proposed Reorganization. Instead, the Board proposes to delist the Company's shares, exposing existing shareholders to less disclosure, limited rights, and decreased liquidity of their holdings. In addition, the Board does not provide adequate information on how the proposed reorganisation will increase the Company's ability to attract capital and investments, in its new unlisted incarnation. Furthermore, shareholders are not given sufficient information on how the new loan facilities would no longer allow the Company to be listed and why such facilities have been negotiated as opposed to others which may allow the Company to remain listed.

Based on these concerns an oppose vote is recommended.

2 Issue shares for cash to be registered in the names of Balmoral International Land Holdings plc Oppose

Subject to and conditional upon the passing of all of the Resolutions put forward at this general meeting of shareholders, shareholder approval is sought for the proposed issue of shares for cash to Balmoral International Land Holdings plc.

The Company has entered into an agreement with Balmoral Holdings whereby Balmoral Holdings has agreed, subject to the approval of the Resolutions and in consideration of the Cancellation, to issue to Shareholders 583,264,908 ordinary shares of €0.00001 each in Balmoral Holdings (the "New Ordinary Shares"). Subject to the approval of the Resolutions, the New Ordinary Shares will be issued to Shareholders so that each Shareholder will receive such number of New Ordinary Shares as is equal to the number of their existing holding of Ordinary Shares in the Company immediately before the EGM. The New Ordinary Shares will represent a reissue of shares acquired by Balmoral Holdings for nil consideration by way of a purchase under section 41(2) of the Companies (Amendment) Act, 1983 from one of the original subscribers in Balmoral Holdings.

Based on our concerns over the proposed Reorganisation, an oppose vote is recommended.

3 Conversion of Existing Shares into Deferred Shares

Oppose

Subject to and conditional upon the passing of all of the Resolutions put forward at this general meeting of shareholders, shareholder approval is sought for the proposed Conversion of Existing Shares into Deferred Shares.

In order to ensure that Shareholders have 100% control of Balmoral Holdings on completion of the Reorganisation, the shares held by Balmoral Holdings will be converted into non-voting redeemable deferred shares and redeemed by Balmoral Holdings in accordance with its articles of association. On a winding up of Balmoral Holdings, the non-voting redeemable deferred shares will have no rights except rights to be repaid the nominal value of the share on a winding up in the event of there being any surplus on a winding up of Balmoral Holdings after the repayment of the New Ordinary Shares. Balmoral Holdings must have sufficient funds to redeem the existing shareholdings of its original members. In order to effect the redemption, the Company will, subject to the approval of the Resolutions, subscribe €33,167.36 for 3,316,736 non-voting deferred shares in Balmoral Holdings. The proceeds of this subscription by the Company will be used by Balmoral Holdings to redeem the shares held by the seven original members of Balmoral Holdings on the completion of the Reorganisation.

Based on our concerns over the proposed Reorganisation, an oppose vote is recommended.

- 4* Amendment of Memorandum and Articles of Association** **Oppose**
- Subject to and conditional upon the passing of all of the Resolutions put forward at this general meeting of shareholders, shareholder approval is sought for the proposed amendment of Memorandum and Articles of Association. The Board explains that, except for the lower par value of a share in Balmoral Holdings, the new holding company will have the same memorandum and articles of association, board and management team as the Company on completion of the Reorganisation and Cancellation. The Directors intend to continue to comply with and adhere to existing corporate governance and investor protection measures.

Based on our concerns over the proposed Reorganisation, an oppose vote is recommended.

- 5* Cancellation of Admission to trading of Existing Shares** **Oppose**
- Subject to and conditional upon the passing of all of the Resolutions put forward at this general meeting of shareholders, shareholder approval is sought for the proposed Cancellation of Admission to trading of Existing Shares.

Subject to all of the Resolutions being approved, the Existing Issued Share Capital will be converted into 583,264,908 Deferred Shares. The Deferred Shares will have no rights and will be purchased from Shareholders and cancelled for nil consideration in accordance with section 41(2) of the Companies (Amendment) Act, 1983. The repurchase and cancellation of the Existing Issued Share Capital is conditional upon the performance of the agreement between Balmoral and Balmoral Holdings (described above at paragraph (b)) whereby Shareholders will receive such number of New Ordinary Shares which is equal in number to their existing holding of Ordinary Shares in the Company. It is anticipated that this will all take effect at 7.00 a.m. on 2 September 2011

Based on these concerns an oppose vote is recommended.

LUK FOOK HLDGS AGM Date: 2011-08-29

- 1 Receive and consider the audited consolidated financial statements and the reports of the Directors and Auditors for the year ended 31st March 2011** **Oppose**
- The Consolidated Financial Statements were provided sufficiently before the meeting. They have also been externally audited with no qualifications. However, the Remuneration Committee is comprised of seven directors including two executive directors: Mr. Wong Wai Sheung, CEO, and Mr. TSE Moon Chuen. We consider that executive directors should not have the opportunity to influence their own pay. Given this serious governance concern, we recommend shareholders oppose.
- 3.1.d Re-elect Chiu Chung J.P. Hui** **Oppose**
- Non-Executive Director. Independent by Company, not independent by PIRC as he has served on the board for more than nine years. There is insufficient independent representation on the board.
- 5 Issue shares** **Oppose**
- The board seeks a general authority to issue and allot shares without pre-emption rights up to a limit of 20% (with a sub-limit of 5% for shares to be issued wholly for cash) of the issued share capital. PIRC has concerns that the authority as stated does not limit the number of times during the period prior to the next AGM when directors may exercise the powers granted. In our view approving this resolution may lead to dilution of existing shareholder positions as directors will be authorised to issue shares more than once during the period. We are also concerned at the absence of a limit which prevents repeated issues at a discount to market price of shares other than to existing shareholders. Based on these concerns we recommend an oppose vote.
- 7 Extend the general mandate to issue additional shares to include shares repurchased** **Oppose**

Conditional to the approval of resolutions 5 and 6, the board seeks authority to issue, under the authority sought in resolution 5, those shares repurchased under the authority granted by resolution 6. The effect, if approved, would be to extend the limit for issuance of shares without pre-emption rights from 20% to 30% of issued share capital. Given our concerns over the potential for repeated use of the issuance authority during the relevant period and the lack of limits on discounted issues we advise an oppose vote.

SKYWORTH DIGITAL HLDS LTD AGM Date: 2011-08-30

1 Receive the Annual Report **Oppose**

The report was made available to shareholders sufficiently before the meeting. The financial statements have been certified and the auditors have not qualified their opinion. However, there are some serious governance concerns at the Company.

The presence of the CFO, Mr. Leung Chi Ching, on the remuneration committee is considered is of major concern. Executive Directors should not have a direct influence on the way in which their own, or other executives, remuneration is determined. Further, the awarding of share options to non-executive directors, as is the case with Mr Li Weibin and Mr So Hon Cheung, is also contrary to best practice. Incentivised pay for non-executive directors is considered to be unacceptable on grounds that it compromises their ability to satisfactorily meet their fiduciary duties.

In addition, there is insufficient independent representation on the board. Executive directors constitute 70% of the board and only one of the three non-executive directors is considered to be independent according to PIRC guidelines.

On the basis of these concerns it is recommended shareholders oppose.

Note:

Mr Zhang Xuebin is the Chairman and Chief Executive of Skyworth Digital Holdings. As Chief Executive he assumes responsibility for overseeing the day-to-day operational activities of the Group as well as implementing strategies and policies determined by the board as a whole. At the same time, as Chairman, Mr. Zhang is also responsible for the management and oversight of the board, including but not limited to the formulation of corporate strategy and future directions of the Group. This is considered to contravene best practice which maintains these roles should be separated with the Chief Executive responsible for day-to-day operations of the Company and the Chairman responsible for overseeing the Board of Directors. In conjunction with the clear lack of independent board representation, this raises further governance concerns.

3(A) Re-elect Mr. Zhang Xuebin **Oppose**
Chairman and Chief Executive. Combined roles at the top of the Company.

3(B) Re-elect Ms. Lin Wei Ping **Oppose**
Executive Director. It is noted that Ms. Lin is the spouse of Mr. Wong Wang Sang, Stephen, who is a former non-executive director of the company. She has an indirect interest in approximately 35% of the issued share capital, held by Target Success Group (PTC) Limited in its capacity as trustee of the Skysource Unit Trust, all of the units in which are owned by the Skysource Trust; Ms. Lin Wei Ping and her children are the discretionary beneficiaries of the Skysource Trust. Given the overwhelming presence of executive directors on the board and the corresponding concerns over a lack of objective oversight, this level of interest is considered to warrant shareholders opposing her re-election.

3(D) Re-elect Mr. Li Weibin **Oppose**
Non-executive Director. Independent by the company, not independent by PIRC as he receives share options. There is insufficient independent representation on the board.

6* Approve the refreshment of the limit on grant of options under the share option scheme **Oppose**
Authority is sought to refresh the existing limit on the grant of options under the Share Option Scheme 2008 and any other schemes of the company, so that the aggregate nominal amount of share capital of the company to be allotted and issued upon exercise of any options to be granted under the Share Option Scheme and any other schemes of the Company (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme and any other schemes of the company) shall not exceed 10% of issued share capital as at the date of the passing of this resolution.

PIRC has concerns over the operation of the Share Option Scheme 2008 which allows for share options awards to be made to non-executive directors of the company. In addition, the Scheme makes no reference to any performance conditions attached to awards made to executives. Non-executive directors should not receive incentive-based remuneration, whereas executive directors should, the operational details of which ought to be provided in full. We also consider the Scheme potentially overly dilutive and note that the initial scheme mandate, approved only in 2008, was previously refreshed at the 2009 and 2010 annual general meetings. Therefore, we

recommend shareholders oppose the proposal.

BANCA POPOLARE EMIL ROMAGNA EGM Date: 2011-09-02

A.1 Approve the Remuneration Policy**Abstain**

Shareholder approval is sought for the policies on remuneration for Board members and other executives of the Company.

Non-executive Board members and members of the Board of Statutory Auditors do not receive any performance-related pay. The remuneration policy for executives links salaries to the level of responsibility and seniority, while variable pay is linked to performance and has the purpose of aligning executive pay to the the Company's overarching vision, its code of ethics, and to sustainable growth. For those employees with roles related to risk, variable pay is not linked to any specific economic and financial target, but it is linked to other type of objectives. For the CEO and other senior executives variable pay is capped at 30% of fixed pay. For the CEO, variable pay is determined by taking into consideration both financial and operational targets. 60% of the CEO's variable pay is deferred in three yearly tranches based on further performance criteria. 50% of the CEO's bonus will be paid either in shares, or in a cash amount based on the value of fictitious shares, with a two-year holding period. In addition to this variable pay, executives are entitled to statutory performance-related pay (as determined by law) and to a profit-sharing arrangements, based on level of seniority.

PIRC is satisfied that variable pay is capped and at a level which does not raise excessiveness concerns. It is also welcomed the emphasis on sustainable growth and risk-adjusted performance for the determination of executive pay, in addition to the use of claw-back provision. However, there are concerns that the current remuneration structure at the Company does not include any long-term incentive, which links executive pay to a minimum three-year performance period. It is also noted that there is no disclosure of specific performance criteria or quantifiable performance thresholds subject to which awards may vest under the bonus plan.. It is also noted that, disclosure of cash amounts and share-based awards is lacking throughout the 2010-11 reports and accounts. Based on these concerns, an abstain vote is recommended.

E.1 Issue shares for cash**Abstain**

Shareholder approval is sought for the authority to increase the share capital of the Company by way of issue of 58 million ordinary shares (representing approximately 23% of the shares currently in issue) on a non-preemptive basis, in accordance of art.2443 of the Italian Civil Code. The Board explains that the shares issued under the authority will be exchanged with shares of controlled subsidiaries of the Company, as part of a wider strategy aim at strengthening the capital of the Company. The Board believes that the strengthening for the share capital will allow the Company to, inter alia, meet the Basel III requirements in advance to the time-frame determined by the treaty, and will facilitate the simplification of the group's capital structure. The shares issued under the proposed authority will rank pari-passu with the other ordinary shares already in issue.

The Board provides adequate background and rationale for the proposed, although there are concerns over its potential dilutive effect. Finally, there are concerns that the use of the authority will not be subject to sufficient independent scrutiny, as there is insufficient independent representation on the Board according to PIRC guidelines. Based on these concerns, an abstain vote is recommended.

E.2 Issue shares for the conversion of the 2010-2015 4% BPER bonds**Abstain**

Shareholder approval is sought for the authority, as per art. 2443 of the Italian Civil Code, to increase the issued share capital of the Company capital, with the exclusion of pre-emption rights, for a maximum nominal amount of EUR 21,867,000.00 through issuance of a maximum number of 7,289,000 ordinary shares (representing approximately 3% of the shares currently in issue), for the accelerated conversion of the '2010-2015 4% BPER' bonds issued in March 2010. The Board explains that the authority is necessary in light of the negative effect that the current economic and financial downturn had on the market share price of the Company, amongst other European financial institutions. In turn the decrease in share price, has caused an increase in the number of ordinary shares needed for the conversion of the bonds, on a conversion ratio of 1.49 based on the the last six months average market price of the Company's shares. This means that, upon an anticipated conversion of the bonds, 36,943,392 shares of the Company (approximately 14.5% of the shares currently in issue) will need to be issued to bondholders, which exceeds by 7,289.169 shares (rounded in the authority to 7,289,000) the 29.654.223 ordinary shares currently reserved for redemption of the bonds.

The Board provides adequate background and rationale for the proposed authority. Although the authority is not overly dilutive in isolation, there are concerns over the dilutive impact of the

conversion of the bonds. In addition it is not clear the benefit on shareholders of the acceleration of the conversion of the bonds. Finally, there are concerns that the use of the authority will not be subject to sufficient independent scrutiny, as there is insufficient independent representation on the Board according to PIRC guidelines. Based on these concerns, an abstain vote is recommended.

E3 Issue bonds/debt securities Abstain

Shareholder approval is sought for the authority to issue, in one or more times, within five years from the resolution, bonds convertible into ordinary shares of the Company, for a nominal maximum amount of EUR250,000,000.00 in compliance with art 2420 TER of the Italian civil code. Approval is also sought for the consequent capital increase for the purpose of the conversion for a maximum EUR250,000,000.00 (share premium included), through the issuance of ordinary shares, and amendment of art 6 of the bylaws.

There is inadequate description of the rationale for the proposed authority. In addition, the conversion ratio will be determined from time to time at the Board's discretion, and there is no indication of the number of shares which may be issued upon full conversion of the bonds, which does not allow an assessment of the potential for dilution of the proposed authority. Based on these concerns an abstain vote is recommended.

PROSPERITY VOSKHOD FUND LTD AGM Date: 2011-09-13

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| 1 | Approve the Directors' report and financial statements for year ended 31 December 2010
The investment manager's remuneration comprises a performance-related component and its performance was assessed during the year under review. Director's fees do not include performance measures. However, no formal institutional voting policy is in place and there is no SEE policy in place with regard to portfolio companies. Hence shareholders are recommended to oppose. | Oppose |
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METAGE SPECIAL EMERGING MARKETS FUND LTD AGM Date: 2011-09-16

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| 1 | Receive the Annual Report
The reports have been made available sufficiently before the meeting. The Investment Manager benefits from a performance fee that rewards outperformance. However the company has not disclosed any institutional voting policy and its investment mandate does not make reference to SEE (Social, Environmental and Ethical) matters. We also note that there are no proposal on the remuneration of directors. Therefore shareholders are recommended to oppose. | Oppose |
| 7 | Appoint the auditors
Deloitte & Touche proposed. The company has not disclosed the amount paid for the auditors for the year under review. Opposition is recommended. | Oppose |
| 9 | Authorise Share Repurchase
The company is also seeking shareholder approval to purchase shares through a tender offer. This offer is subject to a maximum aggregate number of shares which may be purchased of 247,347 shares, representing 15% of the issued share capital. The resolution is proposed as an ordinary resolution, PIRC considers that share buyback authorities should be submitted as special resolutions and approved by a qualified majority of shareholders. An abstain vote is therefore recommended. | Abstain |

TEVA PHARMACEUTICALS AGM Date: 2011-09-19

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| 2A | Elect Mr. Chaim Hurvitz
Not independent by PIRC as he is a former executive of the company. There is insufficient independent representation on the board. | Oppose |
| 2C | Re-elect Mr. Dan Suesskind
Not independent by PIRC as he is a former executive of the company. There is insufficient independent representation on the board. | Oppose |
| 4 | Appoint the auditors and allow the board to determine their remuneration
Kesselman & Kesselman, a member of PricewaterhouseCoopers International Limited, proposed. Non-audit fees for the year under review amount to 80% of the audit fees which confirms a three-year trend and raises concerns over the auditor's independence. | Abstain |
| 6A | Approve an increase in the remuneration for Prof. Moshe Many in his capacity as Vice Chairman
Shareholder approval is sought for the increase of the cash remuneration from the equivalent of approximately USD 175,000 per annum, to an amount equal to USD 250,000 as of June 21, 2011 per annum in recognition of the increased responsibilities and the enhanced role that Prof. Moshe Many has assumed as Vice Chairman of the Board of Directors. The increase is in addition to the per meeting fees payable to members of Teva's Board of Directors. The increase amounts to 43%. The cash remuneration of Prof Many has already been increased by USD 25,000 during the year under review as shareholders at the last AGM were requested to approve a cash remuneration of | Oppose |

USD 150,000 to Prof Many. The increase is deemed excessive.

- 6B Approve additional reimbursement of transportation costs related to Dr. Phillip Frost's participation in Board activities held outside the U.S. during FY 2010/11 and for FY 2011/2012** **Oppose**
- Shareholder approval is sought to reimburse Dr. Frost: (i) for an amount of USD 167,458, in order to settle the out of pocket travel expenses exceeding USD 500,000 incurred by Dr. Frost during 2010 in connection with his activities on behalf of the Company; and (ii) for out of pocket transportation costs relating to his participation in Board, Board committees and other Company activities, whether held within or outside the U.S. during 2011. and 2012, as shall be submitted by him from time to time, up to an annual amount of USD 700,000.

Shareholders were requested during the 2010 AGM to approve an increase in cash remuneration as well as an out-of-pocket transportation costs equivalent to USD 500,000 which at the time were equivalent to 130% of the cash remuneration. The additional amount used by Dr Frost for out-of-pocket transportation during the year under reviews brings the overall amounts employed for transportation to 173% of Dr Frost's cash remuneration which is deemed excessive. In addition, the requested increase for out-of-pocket transportation costs is equivalent to an increase of 40%. The company does not provide any explanation or breakdown for Dr Frost's out-of-pocket transportation costs and how they benefit the company, therefore an oppose vote is recommended.

INDORAMA VENTURES PCL EGM Date: 2011-09-22

- 2 Approve the issuance and offering of debentures** **Oppose**
- Shareholder approval is sought for the issue of debentures not exceeding Baht 25,000 million, with terms and conditions to be entirely determined by the Board or any Executive Director of the Group. The Board states that the debentures may be redeemed prior to maturity, however there is no indications of whether the earlier redemption will result in any issue of Company's shares in exchange, which does not allow an assessment of any potential dilutive impact of the proposed issue of debentures.

In addition, in case that the Company redeems or repays debentures, the Company will be entitled to re-issue debentures to replace those that are redeemed or repaid (revolving basis), provided that such re-issue, when combined with other outstanding debentures, does not cause the aggregate amount to exceed the maximum amount of debentures approved. This provision will, in practice, allow the Board to exceed the aggregate limit stated above. Finally, there are concerns that the proposed debentures issue has not been subject to an adequately independent scrutiny as there is insufficient independent representation according to PIRC guidelines.

Based on these concerns, an oppose vote is recommended.

- 3 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.

DAMILLE INVESTMENTS LTD AGM Date: 2011-09-23

- 1 Receive the Annual Report** **Oppose**
- The reports have been made available sufficiently before the meeting. However the company has not disclosed any institutional voting policy and its investment mandate does not make reference to SEE (Social, Environmental and Ethical) matters. We also note that there is no proposal on the remuneration of directors. Therefore shareholders are recommended to oppose.

MARFIN POPULAR BANK PUB CO EGM Date: 2011-09-28

- 1* Issue and allotment of new Capital Securities** **Oppose**
- Authority sought to issue and allot new capital securities up to the amount of €738,000,000 in replacement of previous issues of Capital Securities of the Company issued in 2008, 2009 and 2010 with a minimum conversion price equal to the nominal value of each share. This will not be firstly offered to the shareholders of the Company in accordance with the Articles of Association of the Bank but will be disposed to the holders of existing capital securities issued by the Company.

There is insufficient information on the rationale behind the issuance of these new securities, the characteristics of existing capital securities' holders and the benefits to them over the ordinary shareholders. In addition, the company does not make the dilution levels to shareholders clear through this notice. An oppose vote is recommended.

- 2 Approve authority to increase authorised share capital** **Abstain**
- Authority sought so that the authorized share capital of the Company is increased from €1,870,000,000 to €2,465,000,000 divided into 2,900,000,000 ordinary shares of nominal value €0.85

each, by the creation of 700.000.000 new ordinary shares of nominal value €0,85 each, which will have the same rights as the existing ordinary shares of the Company. The reasons for this increase include covering the total needs of the Company for the issue of new shares in accordance with the current legislation and in particular: (a) in the event of exercise of Share Options in the framework of the terms of the Share Options Scheme, (b) in the event that the Alternative Satisfaction Mechanism of Interest not paid is activated in the framework of the terms of the Capital Securities of the Company Issues 2009 and 2010, (c) in the event of conversion of the Convertible Enhanced Capital Securities (CECS) and (d) in the event of mandatory conversion of the Capital Securities to be issued by the Board of Directors.

The potential dilution under this authority exceeds PIRC guidelines. There are concerns over the lack of disclosure over the Alternative Satisfaction Mechanism of Interest Not Paid. In addition, there are concerns that there is no evidence that awards under the Share Options Scheme are performance-based and if this authority applies to option awards which already vested. Further it is not clear the reason behind the seeking of this authority when this was already approved in the previous EGM.

AURORA RUSSIA AGM Date: 2011-09-28

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| 3 | To re-elect Mr Grant Cameron
Independent Non-Executive Director. Mr. Cameron missed 4 board meetings (out of 12) and 1 audit committee meeting (out of 2). | Abstain |
| 8 | That the Directors' remuneration for the 2012 Financial Year remain at current levels.
The Company is seeking shareholder approval to maintain Directors' remuneration levels for FY2010. Dan Koch received a fee of £95,000 per annum which was reduced to £50,000 per annum with effect from 1 April 2011. This is still considered to be high relative to fees paid in other Investment Trusts. The Remuneration Committee has also increased John Whittle's fees to £30,000. There is no statement in justifying the increase. It is also not clear if directors would be entitled to any performance related pay. However we note there were no performance related payments made during the year. Due to these concerns expressed above, an abstain vote is recommended. | Abstain |

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