



Corporate Governance: Operational Guidelines

United Kingdom

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These guidelines set out F&C Management Ltd's (F&C) expectations of UK-listed companies in terms of good corporate governance and explain how F&C exercises its votes.¹ They are relevant to all UK holdings;² they should be read in conjunction with the F&C "Responsible Ownership" policy,³ which sets out F&C's overall philosophy and general approach to voting and engaging with companies on environmental, social and governance (ESG) issues.

These guidelines are structured as follows:

- Preamble
- Overview of key principles and F&C's approach
- Role, structure and operation of boards
- Board committees
- Reporting
- Remuneration
- Shareholder rights
- Voting matters
- Investment trusts

Preamble

The following outlines F&C's Corporate Governance policies and guides its voting on all stocks. It applies to all F&C retail portfolios, and the resultant voting record is published each month, along with detailed explanations, on F&C's website.⁴

F&C's 'House' voting policies are also applied to F&C's institutional client portfolios. However, each of F&C's institutional clients has ultimate control over the determination and execution of its voting

policy. F&C will recommend a voting stance to its clients on the basis of these policies, but will defer to its clients in individual cases where they may choose to vote otherwise. In cases where an individual client's voting preference is at odds with the F&C recommended position, this will be applied solely to that client's funds, and shall under no circumstances apply to the voting instructions issued on behalf of other F&C client portfolios. Institutional clients receive a full detailed report of their funds' voting record on a quarterly basis, and have the option of publishing it if they wish. F&C's voting and governance policies underpin its engagement with investee clients, and guide its voting at AGMs and EGMs.

F&C will apply these guidelines when voting on behalf of clients, unless otherwise instructed⁵

F&C expects to update this document annually, to reflect regulatory changes, evolving market practices and any other relevant developments. These Guidelines reflect the provisions of the 2006 Companies Act.⁶

1. Overview of key principles and F&C's approach

F&C has established a philosophy and approach to corporate governance and exercising its votes. Its approach is based on the overarching principles of:

- An empowered and effective board and management team;
- Appropriate checks and balances in company management structures;
- Effective systems of internal control and risk management covering all significant issues, including corporate responsibility issues;
- A commitment to promoting throughout the company a culture of transparency and accountability that is grounded in sound business ethics; and
- A remuneration policy that rewards the creation of long-term shareholder value through the achievement of corporate objectives.

Achieving best practice in corporate governance is a dynamic process between board, management and shareholders.

F&C encourages companies to engage in the process of shaping and meeting evolving standards of best practice. While F&C's voting is strongly rooted in a clear set of corporate governance best practice principles, it strives to approach each company's case on its merits and relies on staff expertise and dialogue with companies to do so. F&C encourages companies to make contact to discuss any areas where they consider divergence from its guidance to be necessary and justified.⁷ When F&C does not vote with directors' recommendations, it writes to the company and explains the reasons why.

1. F&C votes on all its own equity holdings, as well as on the holdings of third-party clients of F&C's **reo**[®] (responsible engagement overlay) service.

2. These Guidelines have been specifically developed to apply to UK-listed companies. For a broader view of F&C voting guidelines as they apply to issuers from other markets, please see F&C Global Guidelines on: <http://www.fandc.com/governance>.

3. <http://www.fandc.com/governance>.

4. <http://www.fandc.com/governance>.

5. See on stocklending and client discretion in the section on Voting Matters.

6. This Bill gained royal assent on 8 November 2006 and a timetable has been set for full implementation by 1 October 2009.

7. F&C expects to vote at all company meetings. These votes will usually be by proxy, except where specific circumstances make attendance by a representative of F&C desirable. When F&C does not vote with directors' recommendations, it writes to the company and explains the reasons why.

2. Role, structure and operation of boards

Introduction

F&C uses the term “board” to cover the unitary board and the unitary board supported by an executive body whose members may or may not be members of the public company board. The board is ultimately responsible for the management of the company. This is mainly achieved through the delegation of powers to the executive management. The board should receive the report of the executive on the conduct of the business, and it should question the executive on these matters. However, certain matters should be reserved for the board. It is responsible for setting and testing strategy proposed by the executive, and for succession planning of both the executive and the board as a whole. The structure, composition and operation of boards will vary from company to company. In particular, there are variations between larger companies that may have a strategic holding company board and those companies where the board has predominantly operational responsibilities. These differences will be taken into account. Other factors will vary depending on the nature of the business, its size and complexity, the company’s stage of development, the ownership structure, the goals of the board and the skills of the individuals on the board. For large companies, F&C expects at least half the board to be independent directors, there to be adequate representation of executives and the chairman to be neither executive nor regarded as independent.

F&C’s more detailed expectations regarding board structure, composition and effective functioning are set out below under the following sub-headings:

- Roles and independence;
- Competence, objectivity and renewal;
- Effective functioning of boards; and
- Accountability to shareholders.

Roles and independence

The composition of the board is of the utmost importance. Boards should have meaningful representation of both executive and non-executive elements. Non-executives should normally be wholly independent of the company, although it is recognised that, in certain cases, connected non-executives have a valuable role to play. In building an effective board, the company should seek candidates from the widest pool of relevant talent so as to ensure properly informed board discussions. F&C’s more detailed expectations are set out below.

The role of the chairman and separation of principal roles

The chairman⁸ sets the agenda of the board in consultation with the company secretary, the executive and the directors. He is the person responsible for the appointment and removal of the chief executive officer (CEO). The roles of chairman and CEO are substantively different and generally should be separated. F&C regards separation of the roles as important for securing a proper balance of authority and responsibility between executive management and the board, and preserving accountability within

the board. If for any reason the roles are combined, e.g. over an unexpected transitional period, this should be explained and justified in the report and accounts. In all such cases, a strong senior independent non-executive director must be nominated. F&C would not expect a retiring CEO to assume the role of chairman. In such cases, F&C would look for reasoned justification from the company to explain this deviation from good practice.

Executive directors

Including executives in board meetings is essential to enhance discussion and allow independent directors to gain the fullest understanding of company operations. Executives who attend most meetings should be members of the board, but their number should not outweigh the number of independent non-executives.

Non-executive directors

Non-executive directors have a valuable contribution to make to the development of the company.⁹ This is a demanding role. While F&C does not have rigid rules about the number of directorships an individual can hold, he must have sufficient time and energy to discharge the role properly, particularly during business situations requiring exceptional investments of time. Factors that determine the appropriate number of directorships are the size of the company, its complexity, its circumstances, other commitments that a director has and the results of board evaluation, among others. F&C considers that holding over four directorships in large companies is likely to be excessive for even a full-time non-executive director, especially if participating in board committees. A reasonable number will be lower for a full-time executive. In addition, nominating committees should carefully consider the time required for other demanding leadership roles, such as the boards of private companies and large charitable organisations. F&C does not support prescriptive minimum time commitments for directors. The board should be careful in avoiding overly onerous time commitments which may preclude active executives from serving as non-executive directors. The company must strike a balance between quality and quantity of input when assessing the competency of non-executive directors’ ability to discharge board responsibilities.

Proportion of non-executive directors on the board

F&C generally expects all large companies to have a majority of independent directors. For smaller companies, F&C expects a minimum of three independent non-executives on the board, and preferably a majority, but considers each company’s board on its merits. For companies that trade on the London Stock Exchange’s Alternative Investment Market (AIM) and fully listed companies of equivalent size, F&C takes a pragmatic approach considering each company’s individual circumstances. Usually in large companies, the chairman cannot be regarded as independent, even though it is normally a non-executive role. However, in small companies, the chairman’s role is different and it may be possible for the chairman to be non-executive and independent, depending upon his degree of involvement in the day-to-day management of the business.

8. F&C recognises the widespread use of alternative terms to describe the role of chairman, including “Chairwoman”, “Chairperson” and “Chair”. For simplicity, F&C uses the terms “chairman” and “he”, “his” and “him” irrespective of the gender of the individual occupying that post.

9. F&C commends the principles on the role of the non-executive director set out in Derek Higgs’s report, published in January 2003. The revised Combined Code has been developed further since that report, but the substance of the report is still of considerable value.



Independence of non-executive directors

F&C values independence of individual directors, but it values a well-balanced board above all. F&C will support non-independent directors where they bring skills, sector knowledge and other experience that justify their presence on the board. F&C's criteria for the independence of directors draw on a variety of standards, including the UK's Combined Code, and the OECD Principles of Corporate Governance, among others. F&C favours a principles-based approach, as it seeks to ensure that directors are able to act in the interests of the company and its shareholders. Companies should consider using the corporate governance report or annual proxy to explain the board evaluation process, and to justify the value that non-independent directors bring to the board.

For public companies, independent non-executive directors should:

- Not be former executives of the company. F&C does not support the idea of a "cooling off" period for former executives, although in the case of individuals who have served in a junior capacity, a hiatus may be appropriate;
- Not have close family ties with the company's advisors, directors or senior employees;
- Not have served on the board for more than twelve years, as they may lose their independent perspective;
- Not hold cross-directorships or have significant links with other directors (see 'Interlocking boards' below);
- Not be major shareholders or representatives of any special interest group;
- Have no significant commercial involvement with the company as professional advisers, major suppliers or customers;
- Not be entitled to performance-related pay, stock options, or pensions;
- Not normally hold other directorships in companies in a closely related industry; and
- Not be a close associate of any executives.

Interlocking boards

F&C seeks to ensure that directors are not only independent from the company, but also of one another. F&C expects companies to disclose interlocking board relationships and to explain how the independence of individual directors is preserved when directors jointly serve on two or more of the same boards.¹⁰

Competence, objectivity and renewal Competencies and perspectives

A relevant and suitably diverse mix of skills and perspectives is critical to the quality of the board and the strategic direction of the company. Companies should therefore strive to widen the pool of potential candidates to ensure that they draw on the richest possible combination of competencies and outlooks. The use of specialist recruitment consultants and other appropriate sources, including public advertisement, should normally be considered. Boards should

recruit members with the best possible combination of skills and experience and should affirm the value of individual diversity, including diversity of gender, ethnic origin, nationality, professional background and many other factors so as to enhance the board's and the company's overall performance. While boards should not be transformed overnight, F&C looks for an equal opportunities policy or diversity statement, and seeks evidence that the basic principles of openness and effectiveness are achieved.

Re-election of directors

To ensure that it retains an open and critical perspective, the board needs to be continually renewed and rebalanced. For this reason, all directors should be required to submit themselves for re-election at regular intervals. F&C encourages the chairman of the board and the chairmen of the audit, remuneration and nomination committees to stand for annual re-election. This will serve to strengthen accountability on the core functions of the board. F&C also believes that a minimum of one-third of board members should stand for election annually.

F&C considers that by the time directors have served 12 years, their ability to contribute a truly independent perspective tends to have diminished, and they should therefore not serve on the audit, remuneration or nomination committees. If a board values and wishes to retain such a director's experience, it should consider him an affiliated director. Boards should strive to have a substantial majority of non-executive directors with less than 12 years' tenure, and the nomination committee should review the mix of new and long-standing directors necessary to achieve a balanced and effective board.

F&C will consider voting against the chairman or members of nominating committees who have not constructed appropriately balanced, independent boards.

Retiring directors

F&C would not normally expect a retiring executive director to retain a seat on the board as a non-executive director, except in highly unusual circumstances. Particular scrutiny would apply in the case of retiring CEOs if nominated for chairman.

Effective functioning of boards

Board size

In most cases, the board should have between five and 15 members. In the case of overly large boards, and in absence of a commitment to reduce board size, F&C may withhold support from directors unless clear justification has been provided explaining the need for such a large board.

Board evaluation

Evaluation is an important tool for improving board performance. All boards should implement an evaluation process that considers the effectiveness of the entire board, the contributions made by each

10. Such interlocking relationships can raise concerns when there is an imbalance of power between the two directors. The most common situation is when one of the individuals is an executive on the first board, and, therefore, is evaluated and remunerated by his fellow director. Therefore, on the second board where he is expected to serve as an independent non-executive, his independence may be compromised.

member, its systems for interacting between the board and company management and any areas for improvement. The nominating committee may oversee the evaluation process and should report general findings and areas for improvement publicly to shareholders. All companies should utilise professional assistance to facilitate evaluations on a periodic basis.

Board meetings & attendance

The board should meet at regular intervals to ensure effective oversight of the company. F&C regards six meetings as a minimum, and, often, more frequent meetings are necessary.

Director attendance at board meetings is crucial for making valuable contributions to the board and fulfilling fiduciary duties. F&C also expects directors to attend the annual meeting, and to facilitate communication with the shareholders whom they represent. The company should disclose the attendance record of individual directors in the annual report, as well as mechanisms for shareholders to communicate directly with the board. F&C may withhold support from directors with a poor attendance record or boards who fail to accommodate shareholder dialogue.

NED-only meetings

Non-executive directors (NEDs) should meet without executive board members present, on a regular basis, and when circumstances demand. They should also have at least one meeting per year to have an unconstrained discussion away from day-to-day business matters. A senior independent director should chair such meetings, although the chairman may be present by invitation. NEDs should also meet on a regular basis with the company's auditors, also without management present.

Training

All directors should receive appropriate training when appointed and subsequently on regular occasions, in particular as a consequence of the board evaluation process. F&C encourages companies to develop director training plans that include educating directors on significant environmental, social and governance matters.

Responsibility of Directors

F&C welcomes the description of director duties contained in the 2006 Companies Act, which requires directors to 'promote the success of the company for the benefit of members (stakeholders) as a whole'. F&C believes that the pursuit of 'enlightened shareholder value', which takes account of the impact of business decisions on and by key stakeholders, such as employees, suppliers, and local communities, will better position the company to maximise long-term shareholder value.

Role of the company secretary

The company secretary provides an important conduit for shareholders to address the board, and communicate with non-executive directors. The company secretary is responsible to the

board of the company rather than the company's management, and should therefore be appointed and employed specifically by the board as a whole, rather than by the company. The board as a whole is the only body that should have the authority to dismiss the company secretary.

Accountability to shareholders

The board should proactively make itself available for consultation with shareholders on any substantive matter, whether or not it forms the subject of a vote, and may, to this end, appoint a senior independent director to fulfil a formal liaison role. Executive management should maintain a good liaison with their principal shareholders, covering strategy and current performance, so that the owners of the business are properly informed as to the conduct and prospects of the business.

The non-executive directors should seek to establish lines of communication with the principal institutional shareholders, in separate meetings and by attending some of the regular meetings that executive directors hold with institutional shareholders.

The company should avoid imparting any insider information except when, subject to appropriate safeguards against misuse, it is agreed beforehand, and considered essential by both the company and the investor to do so. Directors should consult shareholders, particularly institutional shareholders, prior to seeking approval for resolutions at shareholder meetings where any resolution could be considered contentious or consultation is otherwise deemed appropriate. F&C also recommends consulting representative bodies such as the Association of British Insurers (ABI) and the National Association of Pension Funds (NAPF).

Voting on board matters

- F&C will usually support directors' recommendations for board membership or ratification unless it has justified reservations.
- F&C will not support a director if it has strong concerns about the performance, integrity or independence of that individual, a board committee or the board as a whole. (See "Voting on board committees" on page 6.)
- If no directors are standing for election, F&C may not support the approval of the company's report and accounts.

3. Board Committees



F&C considers it essential for the board to have fully independent audit and remuneration committees, as well as a nomination committee composed of a majority of independent directors. Ethics, health and safety, governance, sustainability or corporate responsibility (CR) committees are desirable, and in some cases essential. All board committees should report on their activities annually to shareholders (see section on “Reporting” on page 7).

Nomination committee

A nomination committee should oversee all board and senior executive appointments. Normally it should be a committee of independent non-executive directors and the company chairman, drawing on executive advice as required. F&C prefers a fully independent committee.

Audit committee

The audit of a company provides an important safeguard for shareholders and for all other stakeholders that rely upon the integrity of the report and accounts as a basis of their dealings with the company.

Composition and principal role

- The audit committee should consist exclusively of non-executive directors, all of whom should be independent, and number at least three individuals. At least one should have recent and relevant financial experience, and all audit committee members should be financially literate. The committee should be responsible for assessing the effectiveness, independence, qualifications, expertise and resources of the external auditors and oversee the process of review and issue of the accounts.
- If there is no formal risk management committee in place, the audit committee normally should be accountable for the effective monitoring of business risks and internal controls. This includes reviewing all significant financial and extra-financial risks. The audit committee typically is also responsible for reviewing internal business ethics systems, and ensuring that there is an effective mechanism for the internal reporting of wrongdoing, whether within the company itself, or involving other parties, such as suppliers, customers, contractors or business partners. Business ethics control systems should include employee hotlines and other appropriate “whistleblowing” mechanisms related to financial fraud and any other breach of company policies and ethical codes. The audit committee may serve as the body to receive whistleblowing reports where no other acceptable body exists.
- The audit committee is responsible for monitoring and approving related-party transactions, and should ensure that any such transactions do not disadvantage minority shareholders.
- The audit committee is responsible for publishing the annual audit report, which is essential for investors’ ability to evaluate the overall health of the business (see section on ‘Reporting’ on page 7). In the event of a significant restatement of accounts or material

weakness of internal controls, the report should contain a detailed assessment of the factors and incidents that resulted in a breach of controls, and outline any remedial action undertaken.

- The chairman of the audit committee, possibly in conjunction with the senior auditor, should make himself available to shareholders upon request.
- F&C recommends that the independent members of the audit committee meet on a regular basis with the company’s auditors and without company management. This may enable a better flow of information between auditors and the board.

Appointment of auditors

The auditors’ performance and appointment should be reviewed periodically. Where the same firm remains as auditor for a period of time, there should be a policy of regular rotation of the lead audit partner. F&C does not regard systematic rotation of audit firms as intrinsically desirable or in the best interest of shareholders. However, F&C does consider it to be desirable over the medium term to broaden the choice of auditors available to companies, and hence would encourage companies actively to consider using the broadest pool of audit firms wherever these can demonstrably meet the required standard of competence and global coverage.¹¹

F&C expects that shareholders should be given the opportunity to vote on the appointment and payment of auditors.

Auditor Liability

F&C recognises the disproportionate risk that joint & several liability may place upon the ‘Big 4’ audit firms. However, F&C will only consider supporting Auditor Limitation Liability Agreements in exceptional circumstances where the risk of a catastrophic and disproportionate claim can be demonstrated. In such circumstances F&C expects companies to follow the Institutional Shareholder’s Committee guidance on best practice which includes the following:

1. Directors must assure themselves that audit quality will be preserved and enhanced.
2. Auditor liability should be based on the principle of proportionality rather than a fixed monetary cap.
3. Shareholder approval should be sought on a forward-looking rather than retrospective basis.
4. Audit committees should ensure that a full explanation of the reasons for putting such a resolution to shareholders is disclosed.
5. Directors should ensure that the effect of agreements throughout the group subsidiaries provide for proportionality.

Fees paid to a company’s auditors in addition to audit fees

Where auditors carry out consultancy work in addition to auditing the company, this should be disclosed and the audit committee should consider whether there is a risk that the auditors’ impartiality may be jeopardised. The range, nature and tendering process for any such non-audit work, should be supervised by the audit

¹¹ As a member of the ABI Investment Committee, F&C is a signatory to the ABI’s Letter on Auditor Choice. The Financial Reporting Council (FRC) is consulting over the public interest issues that may arise from the existing competitive environment for audit services to large companies in the UK and how they might be addressed. See <http://www.frc.org.uk/about/auditchoice.cfm>.

committee, whose responsibilities in this area should be fully disclosed. F&C recognises that there are certain areas of non-audit work where the company's auditors may provide valuable expertise, without compromising independence. However, substantial non-audit fees, or non-audit fees in excess of audit fees, may be an indicator of compromised independence.

Risk management

The board as a whole is responsible for framing a company's risk tolerance relative to its strategy and operations, and is also responsible for monitoring the company's performance relative to defined risks. Financial, operational and reputational risks that are relevant to the company's business should be included in this oversight, including material environmental, social and ethical risks.

Depending on the size and complexity of the company, a standalone risk management committee might be warranted. F&C does not have a specific expectation that a company establish a risk management committee, but does expect that in the absence of such a committee the board can demonstrate that it is alert to, and regularly monitors, company risks on an enterprise-wide basis. A risk management committee is a common feature of large bank boards, for example, but it need not be limited to financial institutions. In some companies risk management is overseen by the audit committee. However, a standalone risk committee may enhance board effectiveness in situations where the audit committee is already very stretched. It is a healthy practice for the board as a whole to review the company's risk management as a standing item of regular board meetings.

Remuneration committee

The remuneration committee is responsible for setting the remuneration of executive directors and senior executives, and should co-ordinate with the Group Human Resources function to develop a coherent and effective remuneration strategy throughout the company. It should consist exclusively of independent non-executive directors, at least three in number. While F&C recognises that the Combined Code suggests that an independent chairman may be a member of, though not chair, the remuneration committee, F&C strongly prefers that he attend by invitation only.

F&C encourages remuneration committees to engage in direct dialogue with their largest institutional shareholders so as to seek support prior to the formal adoption of remuneration policies. (See "Remuneration committee Report" on page 7.)

The remuneration committee must consult with other board functions to ensure that pay mechanisms are well aligned with strategic goals and the corporation's appetite for risk. Finally, the committee should be attentive to compensation across the corporation to assure itself that management is driving risk and strategy properly and addressing other important issues linked to pay such as discrimination and glass ceilings.

Corporate responsibility, ethics or sustainability committee

F&C believes that a corporate responsibility, ethics or sustainability committee is highly desirable. In some cases, such as those of large companies exposed to significant social, ethical and environmental (SEE) risks, F&C considers it essential. Such committees should both serve as a source of external perspectives on emerging business and societal concerns, and ensure that the company has proper internal control systems to identify and manage any risks that such issues may pose to the business.

Voting on board committees

- F&C will not normally support non-independent and affiliated directors who serve on the three key committees. This includes directors who have served on the board for more than twelve years and continue to sit on key committees, as they can no longer be considered fully independent. However, if the company can justifiably explain why their presence is necessary, then F&C may vote in favour.
- F&C will vote against audit committee members who are standing for re-election where it has reason to believe that a company's internal controls are inadequate or has other concerns related to the financial reports. This may include concerns over the independence of the auditor.
- In general, F&C will abstain on the reappointment of auditors where it is concerned that the ratio of non-audit to audit fees puts the auditor's independence into question.
- F&C may vote against board directors who sit on committees that oversee anticorruption if company officials are charged with violations of anticorruption legislation, or if there are strong indicators that the company's internal controls relating to anticorruption have broken down.



4. Reporting

The annual report and accounts is an important link in the chain of accountability. It should also outline the work undertaken by the board and the strategy for the development of the business.

The annual report and any proxy voting materials should be made available to shareholders in good time for consideration and discussion prior to the general meeting. F&C looks for a minimum of 20 working days although this may be shortened to 14 days for extraordinary meetings. Such materials should be made available on the company website.

Companies should have meaningful and transparent disclosure, so that investors can obtain a clear understanding of all the important and relevant issues. The annual report should provide a full review of the achievements of the company and of standards followed during the accounting period.

In line with the narrative reporting requirements of the expanded Business Review, companies are expected to provide an outline of the strategy for the development of the business. The Business Review should contain, to the extent necessary, a summary of the key trends and factors that may affect the company's future performance, including significant social and environmental impacts. F&C recommends that companies utilise Reporting Standard 1, which was originally produced for the Operating and Financial Review (OFR), as a guide to best practice for narrative reporting.

F&C favours reports that are:

- **Comprehensive**, covering the strategic direction of the business and all material issues, including any significant changes in the regulatory context and key ESG issues
- **Balanced**, with even-handed treatment of both good and bad aspects
- **Transparent**, with narrative text that utilises plain English, and accounting notes that provide investors with a full understanding of the circumstances underlying the reported figures
- **Underpinned by KPIs** that drive business performance, are comparable over time, and are supported by detailed information on how they are calculated
- **Consistent and joined-up** with other company reporting, including the remuneration policy and corporate responsibility or sustainability reporting.

Directors

Biographical information on the directors should be provided for shareholders in advance of the shareholder meeting. This should include information about director's qualifications and experience, term of office, date of first appointment, level of independence, board committee memberships and other personal and professional commitments that may influence the quality of their contribution and independence, e.g. other directorships, family and social ties, and affiliations with related companies or organisations.

Board committees

Nomination committee report

The committee should report annually on its activity, in particular, providing a detailed discussion of its process for identifying and appointing executive and non-executive directors and senior executives. The report should include, where appropriate, a discussion on the long-term succession planning strategy within the company. It should also discuss the processes it employs to ensure that members of the board reflect an appropriate diversity of perspectives, experiences and cultural backgrounds. Where necessary, the report should include a thorough discussion of the board's view of the independence of members where this might be questioned. The report should also include high-level results of the board evaluation process.

Audit committee report

The audit committee should report on its conduct during the year and, in particular, on any specific matters of judgement relating to the application of accounting principles. Any qualification of the audit statement needs to be fully explained. It should also comment on the process for ensuring independence of the auditors and for evaluating the impact of non-audit work. The audit committee report should include a narrative description of any related-party transactions, with particular reference to how these might impact the interests of minority shareholders. F&C welcomes the opportunity to vote on the audit report.

System of internal controls and risk management

F&C expects companies to have in place robust systems for evaluating and monitoring internal controls, including strong internal reporting and employee hotline or whistleblowing systems. The audit or risk committee is responsible for receiving the results of these systems wherever necessary. If the audit committee's purview includes risk management, the audit committee report should also address the board's oversight of enterprise-wide risks. Either as part of the audit committee report or a standalone report, the company should explain the results of the board's review of internal controls, including any identified or potential weaknesses in internal controls and how the board plans to respond to these.

Remuneration committee report

The committee should report annually on its activity, in particular on its policy and practices, in order to inform shareholders in a clear and explicit manner. F&C looks for remuneration reports to provide a clear break down of fixed versus variable pay and to demonstrate the alignment of total pay packages with long-term shareholder value creation. The remuneration committee should clearly disclose specific long-term performance targets and total potential pay-outs. If short-term performance targets cannot be disclosed due to commercial sensitivity, F&C encourages retrospective disclosure of short-term targets.

F&C encourages the committee to disclose its policies and processes for evaluating the independence of remuneration

consultants. The committee should develop policies to ensure consultants are free of potential conflicts of interest. F&C notes the establishment of a code of conduct for remuneration consultants. Remuneration committees should ensure that consultants uphold the principles and spirit of the code.

Corporate responsibility or sustainability committee report

F&C encourages all companies, and particularly FTSE350 companies, to follow the Association of British Insurers' (ABI) Disclosure Guidelines on Socially Responsible Investment, and report on any significant social or environmental risks and opportunities in their annual reports.¹² This may be supported by more detailed disclosure, as appropriate, in a separate corporate responsibility or sustainability report (see Appendix).

Code of corporate governance

There should be a full and clear statement of all matters relating to the application of the principles, sub-principles and provisions of the UK Combined Code on Corporate Governance. The way the provisions are put into effect should be clearly discussed, and the reasons for any deviations clearly explained. F&C recommends that very small companies follow this same procedure, so far as is reasonable.

System of internal controls

The directors should state, in the annual report, that they have reviewed the system of internal controls, including a proper evaluation of all risk factors and their management. The guidance of the Turnbull Committee on these matters should be followed.

UK Foreign Listings

A growing number of foreign companies have been entering the London Stock Exchange (LSE) under a flexible regime that relieves issuers with a Standard listing on the Main Market, including issuers of Depository Receipts, of full compliance with Premium listing standards. This includes compliance with the UK Combined Code.¹³ F&C strongly recommends that all companies with a significant market exposure and shareholder base in the UK establish a premium listing and strive to comply over time with the standards of the UK Combined Code and, where that is not possible, explain the reasons for non-compliance and any plans to amend their practices. Foreign-domiciled issuers of UK-traded Depository Receipts should clarify when compliance with their respective local governance standards positively conflicts with the UK Combined Code, and otherwise strive to meet the spirit of the Code wherever practicable.

Smaller companies

F&C supports the Guidelines issued by the Quoted Company Alliance (QCA) for AIM-listed companies. AIM companies should, in principle, comply with the Combined Code wherever practicable, and F&C expects them to work towards this. In recognition of the particular circumstances of smaller companies, F&C will give serious consideration to the following situations:

- A board with only two independent directors, where the company can demonstrate that its circumstances justify fewer than the recommended three;
- A chairman who sits on key committees, provided he was considered independent at the time of appointment;
- Capital issuances in excess of 5% without pre-emption rights, and of 33% with pre-emption rights, subject to adequate justification; and
- Bespoke remuneration schemes, where the link to the growth of the business and shareholder value is clearly demonstrated.

Shareholder resolutions

F&C encourages companies to engage in constructive dialogue with shareholders and other external stakeholders, to obviate the need for extraneous shareholder proposals. Where engagement is unsuccessful, F&C supports shareholders' right to submit a shareholder proposal for consideration by all investors. In these instances, companies should behave respectfully, by communicating promptly and fully with shareholders and refraining from obstructing the process. The board should provide a full and reasoned response to any shareholder proposal on the ballot. F&C considers all shareholder resolutions put forward and votes in accordance with its understanding of the long-term benefit to shareholders.

Voting on accounts

- Where F&C has significant concerns as to the completeness and accuracy of the report and accounts, and these cannot be resolved, F&C may choose not to support the report and accounts. For larger companies and those with specific risks, this includes an assessment of compliance with the ABI Disclosure Guidelines on Socially Responsible Investment.
- F&C will usually vote against directors where there is insufficient biographical information provided on them.
- F&C will vote against audit committee members who are standing for re-election where it has reason to believe that a company's internal controls are inadequate or has other concerns related to the financial reports. This may include concerns over the independence of the auditor.
- F&C may vote against the company's report and accounts or against the company's auditors in cases where auditor's fees are not reported or in cases where there have been material misstatements.

5. Remuneration



Levels of remuneration and other incentives should be adequate to recruit, incentivise and retain appropriate staff, reflecting the work carried out and the executives' contribution to the company. No director should be involved in setting his own remuneration. F&C expects companies to demonstrate the alignment of their remuneration policy with their overall business strategy and planning. F&C sees no useful purpose in setting guidelines for levels of cash remuneration beyond the principles mentioned below. However, given the strong upward trend in total remuneration, F&C expects greater disclosure and justification of benchmarks and performance targets. F&C expects justification of base pay levels awarded, and that a significant proportion of total remuneration should be subject to performance conditions. F&C supports the ABI policy described in Executive Remuneration – ABI Guidelines on Policies and Practices, including their periodic updates.

Relationship to strategy and risk

F&C expects companies to demonstrate the alignment of their remuneration policy with their overall business strategy and planning. Performance metrics should relate to the company's articulated strategy and risk tolerance. Targets should be constructed to align executive incentives to the interests of long-term shareholders, and should not create incentives for executives to undertake short-term risks that might imperil longer-term performance.

Disclosure

F&C seeks appropriately detailed disclosure of board and management remuneration packages. The purpose of the remuneration report should be to enlighten and enhance understanding; it should not be used simply as a compliance document. The annual remuneration report should disclose the total amount of remuneration including cash, options, stock and benefits that executives may receive under different performance scenarios. Pension arrangements for executives and employees should be disclosed in detail, including expected funding and pay-out scenarios. Companies should also include details on how, and in which cases, the remuneration committee might exercise its authority to withhold or reclaim all or part of non-base pay from executives. The remuneration report should be written in plain English and include the tax implications for the company. The company should not compensate management for changes in national tax regulations. Where tax efficient schemes are designed for the benefit of executives, F&C would expect the net result to be cost-neutral to the company.

At a minimum, the remuneration of all directors, including all non-executive and executive directors, should be disclosed individually, and there should be banded disclosure of those individuals at sub-board level who make a significant contribution to the group. This enables shareholders to better understand the company's remuneration strategy, including succession planning.

Executive contracts

Executive contracts should not be for more than 12 months, except in unusual cases, for example, where an initial 24-month period is required for recruitment. In such cases, the notice period should reduce month by month until the agreed period of no more than 12 months is attained. F&C also believes that, prior to agreeing employment contracts, companies should actively consider the potential rewards on severance in the event of inadequate performance, and clarify the performance conditions under which such severance benefits are to be payable. F&C expects companies to seek mitigation in case a director has taken up employment elsewhere and to adjust the length and size of any payments accordingly. F&C considers it best practice that the maximum amount does not exceed one year's base pay and pension entitlements. F&C supports the joint statement by the NAPF and the ABI on this issue.¹⁴

Share schemes & Dilution

F&C believes that strict guidelines should be observed with regard to the issue, or potential issue, of shares for incentive schemes, both as to the proportion of shares issued and to the rate at which these are issued each year. Normally, F&C would expect no more than a total of 10% of a company's equity to be used for all share schemes within a 10-year period, with no more than 5% being available for discretionary schemes during this period. Treasury shares should be included within these limits. Best practice is to include all shares used, whether market purchased or newly issued, within these limits. F&C will deviate from these limits where it is convinced that the commercial drivers outweigh the dilution impacts. If the company is insufficiently transparent regarding the details of such schemes, F&C may abstain or even vote against them.

Equity Incentive Plans

F&C supports the principle of motivating and rewarding executives through the granting of equity incentives. Schemes should be structured to reward long-term growth in shareholder value, and be subject to performance-vesting.

Performance targets should be clearly disclosed and stretching. F&C believes that the remuneration committee is in the best position to determine the most appropriate performance metrics for driving the long-term business strategy. However, overall remuneration packages should reflect a range of performance targets and should not rely too heavily on the achievement of a single performance metric. In cases where a relative performance measure, such as total shareholder return, is employed, use of an absolute performance metric can serve as an underpin to ensure that rewards are scaled back when the company's overall performance suffers. Generally, F&C believes executive pay plans should reflect a balance of financial, operational, and relative performance targets. Where consideration of commercial confidentiality may prevent fuller

14. This statement is entitled "Best Practice on Executive Contracts and Severance – A Joint Statement by the Association of British Insurers and The National Association of Pension Funds" and can be found on the IVIS website: www.ivis.co.uk.

disclosure of specific short-term targets at the start of the performance period, F&C expects companies to disclose performance against specific targets retrospectively.

F&C opposes fixed caps on pay and strongly believes that exceptional performance over a significant period merits an exceptional level of remuneration. The length of the performance period should, to the extent possible, reflect the strategic time horizon of the company's business and risk profile to ensure that management rewards reflect sustainable long-term value creation.

F&C will consider one-off equity awards on a case-by-case basis in light of justification provided by the company. However, frequent use of exceptional awards raises questions over the adequacy of the overall remuneration strategy. F&C will take particular care when reviewing equity awards granted for the purposes of retention when such awards are not linked to stretching performance targets. Barring exceptional circumstances, F&C will not support the award of free shares to executives that were overlooked for the position of chief executive.

F&C encourages the inclusion of social, environmental and other non-financial goals for performance bonus payments, where these factors have a significant impact on the company's performance. F&C also expects a discussion of the process undertaken by the company to identify such factors and an explanation as to why it considers these factors to be relevant. If the company chooses not to include any such factors in an industry where they are significant contributors to business success, the company should explain the reasons for this.

Holding periods, vesting and "Clawback" policies

Bonus payment and long-term incentive schemes should be structured to reward long-term growth in shareholder value, and be subject to performance-vesting conditions. F&C encourages a portion of the short-term bonus to be satisfied in deferred shares. Longer-term incentive plans should be share-based, and vesting periods should extend from three to five years.

The remuneration committee should maintain authority to withhold or reclaim (i.e. 'claw back') all or part of performance-based pay from executives in cases where it deems it appropriate. This might occur following a significant restatement of accounts, where previously granted awards were paid on the basis of inaccurate figures or where the long-term outcomes of a specific strategy result in significant value destruction for shareholders.

In particular, where representations that executives made to the audit committee about the integrity of controls have been revealed to be inaccurate, or where executives have failed to exercise due caution in the discharge of their duties, the company should consider seeking the reclamation of performance awards.

Clawback policies may also be supplemented with extended deferral periods for share and bonus plans. The potential liability in a clawback arrangement may be scaled back over time to reflect evidence of sustained performance.

Ex-gratia and transaction payments

F&C expects that any ex-gratia and transaction payments be subject to prior shareholder approval. F&C would not normally support transaction bonuses which are not linked to a measurement of value creation over time.

Employee ownership

Widespread employee ownership can positively contribute to shareholder value, as it further aligns employees' interests with those of shareholders. Employee share ownership schemes should not, however, be instituted as anti-takeover devices, and should be included within company-wide dilution limits. While F&C generally supports broad-based stock option plans, employee discounts should not exceed 20% on a fixed date, the company should not extend loans to purchase options, and options should not be re-priced without shareholder approval. Non-executive directors should not be entitled to options and therefore should not be included in any such schemes.

Voting on remuneration

- F&C will consider all votes relating to remuneration on their merits, and vote against a policy or individual schemes where it considers that these are not in the best interests of the company and its shareholders.
- F&C will vote against schemes that could lead to excessive dilution, unless there are extenuating circumstances.
- Where substantial awards can be made under a scheme, and it is not backed up by appropriate disclosure, F&C will usually vote against. If F&C considers the overall award package excessive, and no acceptable justification is provided, F&C will vote against.
- F&C may oppose the re-election of the chairman or members of the remuneration committee if the company lacks a far-reaching clawback policy despite recent material restatements.



6. Shareholder rights

Liaison with shareholders

Companies should be ready, where practicable, to enter into dialogue with institutional shareholders based on an understanding of shared objectives. They should be proactive in making sure important news is imparted, subject to appropriate inside information procedures, and should react helpfully to investor questions. In investment meetings companies should always be prepared to address relevant corporate governance, environmental and social issues.

Capital Issuance

Management are best positioned to determine the most efficient level of gearing for the business. F&C will support the issuance of new shares to strengthen the balance sheet or to pursue growth opportunities provided clear justification is provided. F&C will support an annual authorisation equivalent to one-third of the issued share capital. F&C will not normally support a general authority which exceeds this level unless the company can demonstrate the need for flexibility to undertake an accelerated rights issue.

Pre-emption

F&C believes that pre-emption rights for existing shareholders are essential. Shares may be issued for cash without pre-emption or for remuneration purposes, subject to shareholder approval and to strict limits as to the proportion of shares issued in relation to the issued share capital, and also subject to inner flow rates. F&C normally considers appropriate limits to be 5% in one year but no more than 7.5% in three years for general purposes, and no more than 10% in 10 years to satisfy commitments under group remunerations plans. F&C will consider any variations on these guidelines individually, and on their merits. F&C will vote against management where pre-emption rights have been disapplied and it does not consider the justification given appropriate.

Share repurchase

F&C expects companies to repurchase shares in the market when it is advantageous for the company and its shareholders. Directors should seek shareholders' authority for such transactions for a period limited to about one year, and the amount should not exceed 15% of the issued equity. Any share repurchase must benefit all holders on equal terms taking account of options adjustment.

Voting rights

F&C favours a share structure that gives all shares equal voting rights. It does not support the issuance of shares with impaired or enhanced voting rights. F&C is likely to withhold support for capital-raising by companies with a capital structure that involves unequal voting rights.

Related-party transactions

Companies may be involved in material related-party transactions, which represent a significant risk for minority shareholders. This risk is mitigated in companies with fully independent audit committees whose responsibility it is to ensure that such transactions are conducted on the basis of arms-length valuations. F&C strongly encourages companies to secure prior shareholder approval for material related-party transactions. F&C recommends that each

company disclose any shareholdings that its controlling shareholders may have in other companies or investment vehicles that have a material interest in the company.

Mergers and acquisitions, spin-offs and other corporate restructuring

Bids and corporate restructuring are important as a means to maintain an efficient and competitive capital market. However, some bids do not add to shareholder value, so in some contested takeover bids, F&C will seek to discuss matters with management and the bidder. F&C expects boards to conduct thorough due diligence prior to pursuing any merger or acquisition and to seek to maximise shareholder value in any deal. F&C will normally support incumbent management, provided the financial terms, synergistic benefits, and management quality are sound.

F&C considers social and environmental risk implications of any corporate activity as part of its assessment, particularly in high-impact industries. It likewise expects the board to evaluate any potential social, environmental or ethical risks or liabilities of any business combination. F&C expects companies to take appropriate consultative measures with employees and communities affected by corporate restructuring.

Pension and other similar significant corporate liabilities

Companies should be aware of, and report to shareholders on, significant liabilities such as those arising from unfunded or underfunded pension commitments. The extent of the liability should be reported and the principal assumptions used in calculating such amounts should be disclosed. Companies should also detail the plans, if any, that they have put in place to cover the deficit, including a reasonable time scale for action. Other significant liabilities could include specific operational, environmental or social risks that the company faces. The company should provide some indication of how these risks can result in contingent liabilities.

Shareholder resolutions

F&C considers all shareholder resolutions that appear on the ballot and votes in accordance with its understanding of the long-term benefit to shareholders. Companies should always provide a comprehensive discussion of management's position on all shareholder resolutions, and be available to respond to reasonable enquiries from shareholders (see "Liaison with shareholders" above). In circumstances where F&C has serious concerns about a company's ESG practices and has been unsuccessful in establishing a fruitful dialogue, it may itself put forward resolutions to invite other shareholders to support calls for the adoption of better practices.

Voting on shareholder rights

- Where a company seeks authority to issue shares beyond defined limits, and does not provide a satisfactory justification, F&C will vote against such authority.
- F&C votes on any shareholder resolutions in accordance with its understanding of the long-term benefit to shareholders.

7. Voting matters

Annual general meetings

There should be an annual physical meeting of the shareholders, and all the directors of the company should attend. F&C encourages the web-based transmission of meetings.

Vote Disclosure

F&C expects companies to disclose the voting results of their general meetings, both at the meeting and on their websites, with a detailed breakdown of votes for and against, as well as abstentions.

F&C believes that companies have a right to know how their shareholders have voted, and therefore writes to all companies to explain any cases of votes against management, abstentions, or votes in favour that nevertheless were the subject of concerns.

In the spirit of transparency, F&C also makes available to both its institutional and retail fund customers a comprehensive record of its voting by publishing its aggregated voting record on its website on a monthly basis. Companies held in all F&C retail or institutional funds may also check their results on this web page. A summary of F&C's voting record can be found in its quarterly Responsible Engagement Overlay (**reo**[®]) report, its annual corporate governance report and its annual Corporate Responsibility report.

Stocklending

Stocklending is a widespread market practice involving the sale and contractually pre-agreed repurchase of a stock, collateralised by a basket of securities. Insofar as title to the stock passes from the "lender" to the "borrower", this transaction is not, in fact, a loan, and therefore means that the voting right that attaches to the underlying stock cannot be readily detached and retained by the lender. Stocklending is an important factor in preserving the liquidity of markets and in facilitating hedging strategies; it also provides investors with a significant additional return on their investments because the sale-repurchase transaction includes a profit margin. Importantly, however, if the term of the "loan" coincides with an annual or extraordinary general meeting, the transfer of the voting right impairs the ability of the underlying shareowner to exercise his voting rights. In rare instances, this has led to abuse, where borrowers have deliberately entered into transactions to sway the outcome of a shareholder vote without any intention of owning the stock long-term. Stocklending is also necessary to enable "shorting", i.e. the sale of securities that one does not own; shorting

is undertaken when investors believe a company's stock price will fall in the future, and has sparked controversy because it has at times been associated with pro-cyclical market movements.

F&C considers that the balance to be struck between stocklending and voting is a matter for individual decision by clients. For those clients wishing to be involved in stocklending, F&C's policy is to accommodate this while retaining a minimum shareholding at all times, thereby ensuring that a vote is cast and any concerns are expressed directly through a letter to the company. Where significant voting issues arise, F&C will stop any further lending of stock, and, if necessary, will seek, on a reasonable-efforts basis, to recall all lent stock over the voting period. F&C also accommodates clients who do not wish to engage in stocklending at all, should they prefer to vote all stocks at all times.

Bundled resolutions

Resolutions put to company meetings should cover single issues, or issues that are clearly interdependent. Any other practice potentially reduces the value of votes, and can lead to opposition to otherwise acceptable proposals. F&C will normally oppose resolutions that contain such inappropriately bundled provisions.

Any other business

F&C expects to vote on resolutions the contents of which have been made clear to shareholders and are in the interests of the company and its shareholders. Where a resolution invites shareholders to vote on an "any other business" resolution, F&C will systematically vote against it.

Political and charitable donations

F&C welcomes the opportunity to vote on company donations, if material. F&C supports charitable acts at an appropriate level, especially where an active donations policy supports the company's engagement with its local or wider community. With respect to donations to political parties or to organisations closely associated with political parties, F&C considers that these are inappropriate and should be strictly avoided. F&C believes that companies should submit their policy for political donations to a vote. F&C will support certain limited donations that may, in the widest sense, be considered to be political, provided that donations to political parties are specifically excluded. It will vote against any donations to political parties, and will vote against other authorisations above £250,000.¹⁵

15. For further details on F&C's policy with regard to political lobbying and donations, click on Public Policy at www.fandc.com/governance.

8. Investment Trusts



F&C believes that in order to meet their obligations under the Combined Code in relation to the Listing Rules, Investment Trusts need to report against the Combined Code. Companies may find that the Association of Investment Companies (AIC) Code of Corporate Governance could help amplify their report.

F&C believes that when investment trusts purchase shares into treasury, they should either cancel them or reissue them at par or at a premium to net asset value. F&C would only support re-issuance of treasury shares at a discount in exceptional circumstances where this is of clear advantage to shareholders and carefully justified.

Investment trusts have a number of features that call for special attention when considering governance issues. Typically, they have no executive directors while appointed investment managers, as well as external company secretaries, operate the day-to-day management functions of the company. It is important that the directors recognise the unusual nature of the investment trust company and have the time and expertise to oversee the actions of operational management. F&C will carefully examine the composition of the board and its ability to perform its functions effectively. F&C would expect the chairman and the majority of directors to be independent. F&C would not consider the following categories of directors as independent:

- Executives and former executives of the investment management company. F&C encourages trusts to avoid appointing such directors
- Professional advisors to the trust
- Anyone in receipt of share options or performance-related remuneration.

Further, prolonged board membership and conflicting directorships may jeopardise independence. Having considered all of the above issues, F&C will come to a pragmatic view on the independence of the board and how it is addressing long-term shareholder value. F&C recommends that trusts have a policy of regularly appointing new non-executive directors, in order to stimulate fresh thinking on the board.

F&C expects investment trusts to have well-developed corporate governance policies towards the companies in which they choose to invest. F&C draws the attention of investment trusts to the specific ABI guidelines on disclosure of social, environmental and ethical (SEE) issues in investment trusts and encourages compliance with them.¹⁶ In assessing compliance with these guidelines, F&C will ask the following questions:

- Is the voting policy of the trust publicly available?
- Does the voting policy make reference to SEE matters?
- Is the manager encouraged actively to engage with companies to promote better SEE practice?

Voting on trusts

- F&C may vote against certain directors if it has concerns over the proper supervision of the trust.
- F&C may vote against directors who have served more than 12 years unless it sees evidence of a policy for regular renewal of the board.
- F&C will normally vote against the re-issuance of treasury shares at a discount to net asset value of the trust.



¹⁶. These are available at www.ivis.co.uk.

Appendix: Sustainability Reporting and Disclosure

F&C expects high standards of transparency from the companies in which it invests. This should include a narrative account within the annual report about the trends and factors affecting the performance and future development of the business. So-called “narrative reporting” is an important mechanism for improving the quality of dialogue between companies and their owners, covering the full range of factors underpinning long-term profitability. This includes areas that have not been traditionally covered in annual reports such as material environmental, social and governance

(ESG) issues. In high-impact sectors, we also expect companies to publish a comprehensive sustainability or corporate social responsibility report that provides more detailed information for a wider group of stakeholders such as employee, local communities, non-profit organisations, and government representatives. While F&C recognises that ESG reporting will vary across geography and sector, F&C has identified some general best practice guidelines, set out below.

F&C's 12 Steps to Best Practice ESG Reporting

Basic

- Identify significant ESG risks and opportunities for the business
- Establish and explain board accountability for ESG issues
- Set out policies for significant ESG issues and explain how they are implemented and monitored
- Establish and disclose targets and Key Performance Indicators for significant ESG issues covering global operations
- Describe systems for training board members and staff on ESG issues
- Report on performance against policies

Best practice

- Explain how ESG policies link to key operational and financial drivers
- Describe procedures for consulting key stakeholders and provide feedback on the range of views
- Discuss challenges and set-backs as well as success stories
- Describe procedures for verifying data including external verification
- Take account of widely-accepted reporting standards such as the Global Reporting Initiative
- Describe how ESG objectives are embedded into the corporate culture, including how they are reflected in remuneration policies and other performance management tools

Winning gold with F&C

Delivering highly effective investment strategies is just one part of the service we provide. As principled asset managers, we are determined to lead our industry in all aspects of our business.

In 2009 F&C were voted winners of the 'Gold Standard' in the Fund Management category for the fourth year in succession. Only a few companies have been privileged enough to win a Gold Standard award, and as such, this is an exceptional achievement. The Gold Standard Awards aim to identify financial services companies that excel not just in service but in five key areas important to consumers of financial products and services:

Financial strength

Ability to meet and exceed customer expectations

Capability

Outstanding expertise and aptitude as a fund manager

Service

Ability to maintain and grow an effective post-sales relationship

Fair value

Assessing whether customers receive great value for money

Trust

Ability to instil confidence in consumers

As a result, the Gold Standards are one of the hardest, most sought after awards in the financial market place.



WINNER



Products

F&C offers a wide range of investment opportunities for pension funds, charities, financial institutions, corporations and other organisations. We offer segregated and pooled portfolio management through a range of onshore and offshore vehicles. These cover developed and emerging markets in equity, bond, cash and property funds.

Please contact us for further details or visit our website at www.fandc.com

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Important information. All data is as at 31 December 2009, unless otherwise stated.

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