

Shareholder Rights Directive Annual Disclosure

Longview makes the below annual disclosure under obligations arising from Article 3g(1)(b) of the revised Shareholder Rights Directive (EU 2017/828) ("SRD") for the period up to 31 December 2020.

How has Longview's engagement policy been implemented in a way that meets the below requirements.

COBS 2.2B.5R (1) (b)

Under obligations arising from the revised Shareholder Rights Directive (EU 2017/828) ("SRD II"), a firm which trades shares on regulated and comparable markets, is required to either develop and publicly disclose an engagement policy as prescribed in COBS 2.2B.6R or disclose a clear and reasoned explanation of why it has chosen not to do so.

Longview Partners LLP (the "Firm") has disclosed publicly on this website its policies on Responsible Investment and Engagement, Shareholder Activism and Stewardship which have been implemented over the period. Further, we are required to disclose on an annual basis how the Firm's engagement policy has been implemented in a way that meets the requirements in COBS 2.2B.7R.

Please see below details in respect of the Firm's implementation of its Engagement Policy in relation to calendar year 2020.

General description of voting behaviour.

COBS 2.2B.7R (1)

Our policy on the exercise of voting rights on behalf of our clients is outlined in our Shareholder Activism Policy mentioned above. During the period Longview's voting behaviour has been to act in accordance with the above-mentioned policy which it believes is designed to ensure it operates in its client's best interests on engagement related matters.

Our records for the period under review show that votes against management generally stemmed from our stance on executive compensation, corporate governance, board structure and shareholder proposals related to increased disclosures on governance, compensation and diversity and inclusion issues.

How has Longview cast votes in the general meetings of companies in which it holds shares.

COBS 2.2B.7R (2)

As outlined above, Longview has cast votes in the general meetings of companies in which it holds shares operating in accordance with its Shareholder Activism Policy as disclosed separately. Please see table overleaf for illustrative examples based on those votes deemed significant in nature.

An explanation of Longview's most significant votes.

COBS 2.2B.7R (1)

Longview defines a significant vote as one where we have voted against management, or where >15% of total votes were against management or where we voted against our proxy adviser's recommendation. We confirm we have applied this chosen approach consistently when determining the above data.

Please see the table below for specific details and commentary on individual votes.

Longview’s use of the services of proxy advisors.

COBS 2.2B.7R (1)

On behalf of our Institutional clients, we employed the services of the voting agency Glass Lewis & Co, a leading independent provider of corporate governance solutions to the financial services industry. To inform their research, Glass Lewis uses publicly available sources of information such as stock exchanges, regulators, companies directly or other forms of direct procurement. Glass Lewis is a founding member of the industry group that created the Best Practice Principles for Providers of Shareholder Voting Research & Analysis (“BPP”) in 2013 and has reported against the BPP since 2014. The BPP was updated in 2019 to take into account the reporting requirements of the SRD II. Glass Lewis signatory statement can be found here. In the UK, Glass Lewis must register with the FCA to join the official list of Proxy Advisors.

Glass Lewis voted on our clients’ behalf at all relevant company meetings during 2020.

Using the Longview Partners Investments Global Equity (Currency Unhedged) pooled vehicle (a Luxembourg based SICAV fund) as a representative account, Longview has cast the following significant votes in the general meetings of companies in which it holds shares:

Voting Subject		Vote Cast	Commentary	Reason for Vote Significance
Category	Description			
Audit/Financials	Allocation of Profits/Dividends	Abstain	Proposal withdrawn	Longview has voted against management
Audit/Financials	Allocation of Profits/Dividends	Abstain	Proposal withdrawn	>15% of total votes were against management
Audit/Financials	Ratification of Auditor	Against	Not in shareholders' best interests	Longview has voted against management
Board Related	Election of Statutory Auditors	Against	Statutory auditor board is not sufficiently independent	Longview has voted against management
Board Related	Election of Directors	For	In-line with Glass Lewis Policy	>15% of total votes were against management
Board Related	Election of Directors	Against	Serves on too many boards	Longview has voted against management
Board Related	Election of Directors	Against	Serves on too many boards	Longview has voted against management
Board Related	Election of Directors	Against	Serves on too many boards	Longview has voted against management
Board Related	Election of Directors	For	In-line with Glass Lewis Policy	>15% of total votes were against management
Board Related	Election of Directors	For	In-line with Glass Lewis Policy	>15% of total votes were against management
Board Related	Election of Directors	Against	CFO on board	Longview has voted against management
Board Related	Election of Directors	Against	Affiliate/Insider on compensation committee	Longview has voted against management
Board Related	Election of Directors	Withhold	Ongoing compensation concerns; Insufficient response to shareholder dissent	Longview has voted against management
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Board Related	Election of Directors	WithHold	Board is not sufficiently independent	Longview has voted against management
Compensation	Advisory Vote on Executive Compensation	Against	Pay and performance disconnect	Longview has voted against management and >15% of total votes were against management
Compensation	Advisory Vote on Executive Compensation	Against	Concerning pay practices	Longview has voted against management
Compensation	Advisory Vote on Executive Compensation	Against	Significant one-time awards	Longview has voted against management and >15% of total votes were against management
Compensation	Advisory Vote on Executive Compensation	For	In-line with Glass Lewis Policy	>15% of total votes were against management
Compensation	Advisory Vote on Executive Compensation	Against	Concerning pay practices	Longview has voted against management and >15% of total votes were against management
Compensation	Remuneration Policy (Forward-Looking)	For	In-line with Glass Lewis Policy	>15% of total votes were against management
Compensation	Stock Option Plan	For	In-line with Glass Lewis Policy	>15% of total votes were against management
Compensation	Advisory Vote on Executive Compensation	Against	Insufficient response to shareholder dissent; Pay and performance disconnect	Longview has voted against management and >15% of total votes were against management
Compensation	Remuneration Report (Retrospective)	Against	Waiving of presence condition of LTI grants; Rapid pension rights accrual	Longview has voted against management
Compensation	Advisory Vote on Executive Compensation	For	In-line with Glass Lewis Policy	>15% of total votes were against management
Compensation	Remuneration Report (Retrospective)	For	In-line with Glass Lewis Policy	>15% of total votes were against management
SHP: Compensation	SHP Regarding Race and/or Gender Pay Equity Report	For	Increased disclosure would allow shareholders to fully understand the steps the Company is taking to ensure equitable compensation	Longview has voted against management and >15% of total votes were against management
SHP: Compensation	SHP Regarding Restricting Executive Compensation	Against	In-line with Glass Lewis Policy	>15% of total votes were against management
SHP: Compensation	SHP Regarding Misc. Compensation	Against	In-line with Glass Lewis Policy	>15% of total votes were against management
SHP: Environment	SHP Regarding Environmental Report	Against	In-line with Glass Lewis Policy	>15% of total votes were against management
SHP: Governance	SHP Regarding Right to Act by Written Consent	For	Shareholder action by written consent enables shareholders to take action on important issues that arise between annual meetings	Longview has voted against management and >15% of total votes were against management

SHP: Governance	SHP Regarding Independent Board Chairman/Separation of Chair and CEO	For	An independent chair is better able to oversee the executives of a company and set a pro-shareholder agenda	Longview has voted against management and >15% of total votes were against management
SHP: Governance	SHP Regarding Right to Act by Written Consent	Against	In-line with Glass Lewis Policy	>15% of total votes were against management
SHP: Governance	SHP Shareholder Access to the Nomination Process (Proxy Access)	Against	In-line with Glass Lewis Policy	>15% of total votes were against management
SHP: Governance	SHP Regarding Independent Board Chairman/Separation of Chair and CEO	For	An independent chair is better able to oversee the executives of a company and set a pro-shareholder agenda	Longview has voted against management and >15% of total votes were against management
SHP: Social	SHP Regarding Reviewing Political Spending or Lobbying	For	Increased disclosure would allow shareholders to more fully assess risks presented by the Company's political spending	Longview has voted against management and >15% of total votes were against management