

During 2012, corporate governance around the world continued to evolve at a rapid pace. We have seen the updated Stewardship Code, the new UNPRI survey, EFAMA's (European Fund and Asset Management Association) 2013 Action Plan looking at European Company Law and Corporate Governance, and the UK's Kay Review. In addition, members of the team have completed investment trips to China, Brazil, Chile and Japan and secondments to a number of our investment teams. All of this has been in addition to the regular work of engaging with companies on remuneration and a host of other issues.

In response to the external prompts, we have updated Baillie Gifford's response to the new Stewardship Code, and the Corporate Governance Team is in active discussion with the UNPRI about the survey and its

assessment methodology. We are rewriting our Global Corporate Governance Principles and Guidelines which include our new aspirational remuneration principles. The Governance Review 2012/13 will be on the website in January 2013. The team is working more closely than ever with our investment teams to ensure that work is focused on issues that are materially relevant to the investment case for holding a company, and we believe that this will result in tangible financial benefits for our clients in due course.

The Governance Review includes articles about some of the research projects on which we're focusing, engagement reports, and updates on our approach to remuneration worldwide, as well as country specific governance considerations. We hope you find it interesting.



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Voting Activity

Votes Cast in Favour		Votes Cast Against		Votes Abstained/Withheld	
Companies	1	Companies	None	Companies	None
Resolutions	1	Resolutions	None	Resolutions	None

We have seen the updated Stewardship Code, the new UNPRI survey, EFAMA's (European Fund and Asset Management Association) 2013 Action Plan looking at European Company Law and Corporate Governance, and the UK's Kay Review.

Members of the Corporate Governance Team have completed investment trips to China, Brazil, Chile and Japan.

Company Engagement

Engagement Type	Company
Corporate Social Responsibility	FLIR Systems
Executive Remuneration	Aggreko

Notes on company engagements highlighted in blue can be found in this report. Notes on other company engagements are available on request.

Votes Cast in Favour

Companies	Voting Rationale
Ctrip.Com Intl ADR	We voted in favour of routine proposals at the aforementioned meeting(s).

Votes Cast Against

We did not vote against any resolutions during the period.

Votes Abstained

We did not abstain on any resolutions during the period.

Votes Withheld

We did not withhold on any resolutions during the period.