

Stagecoach Equities

Votes Against Management

01/07/2019 to 30/09/2019

Stagecoach Equities Votes Against Management Report

Votes Against Management Report

Date range covered: 07/01/2019 to 09/30/2019

FirstGroup Plc

Meeting Date: 07/25/2019

Country: United Kingdom

Meeting Type: Annual

Ticker: FGP

Primary ISIN: GB0003452173

Primary SEDOL: 0345217

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
2	Approve Remuneration Report	Mgmt	For	Against

Voter Rationale: Companies should pay no more than necessary on recruitment of executive directors and ensure that recruitment-related awards are linked to long-term performance of the company. In addition, incentive awards to executives should be clearly disclosed and include robust and stretching performance targets to reward strong performance and drive shareholder value over a sufficiently long period of time.

FS KKR Capital Corp.

Meeting Date: 07/16/2019

Country: USA

Meeting Type: Annual

Ticker: FSK

Primary ISIN: US3026351078

Primary SEDOL: BLRVST7

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
2	Approve Reduced Asset Coverage Ratio	Mgmt	For	Against

Voter Rationale: The reduction in the company's required minimum asset coverage ratio could potentially double the company's amount of debt incurrence. If the leverage proposal is approved by shareholders, fees payable to the advisor may increase depending on the amount of additional leverage incurred, irrespective of the return on the incremental assets

General Mills, Inc.

Meeting Date: 09/24/2019

Country: USA

Meeting Type: Annual

Ticker: GIS

Primary ISIN: US3703341046

Primary SEDOL: 2367026

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1e	Elect Director Maria G. Henry	Mgmt	For	Against

Voter Rationale: Executive officers are expected to hold no more than one external directorships to ensure they have sufficient time and energy to discharge their roles properly, particularly during unexpected company situations requiring substantial amounts of time.

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General Mills, Inc.

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
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2	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	Against
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Voter Rationale: A larger percentage of the equity awards should be tied to performance conditions. At least 50% is a minimum good practice. Furthermore, incentive awards to executives should be clearly disclosed and include robust and stretching performance targets to reward strong performance and drive shareholder value over a sufficiently long period of time.

H&R Block, Inc.

Meeting Date: 09/12/2019	Country: USA	Meeting Type: Annual	Ticker: HRB
Primary ISIN: US0936711052	Primary SEDOL: 2105505		

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
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1f	Elect Director David Baker Lewis	Mgmt	For	Against
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Voter Rationale: Directors with long board tenures should not serve on committees that require absolute independence. The compensation committee should be independent and this director's membership could hamper the committee's impartiality and effectiveness.

Healthcare Trust of America, Inc.

Meeting Date: 07/09/2019	Country: USA	Meeting Type: Annual	Ticker: HTA
Primary ISIN: US42225P5017	Primary SEDOL: BT9QF28		

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
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1b	Elect Director W. Bradley Blair, II	Mgmt	For	Against
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Voter Rationale: Changes in company bylaws or articles of incorporation should not erode shareholders' rights and should be subject to shareholder approval.

1c	Elect Director Vicki U. Booth	Mgmt	For	Against
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Voter Rationale: Changes in company bylaws or articles of incorporation should not erode shareholders' rights and should be subject to shareholder approval.

1d	Elect Director Maurice J. DeWald	Mgmt	For	Against
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Voter Rationale: Changes in company bylaws or articles of incorporation should not erode shareholders' rights and should be subject to shareholder approval.

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Healthcare Trust of America, Inc.

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1f	Elect Director Peter N. Foss	Mgmt	For	Against
<i>Voter Rationale: Changes in company bylaws or articles of incorporation should not erode shareholders' rights and should be subject to shareholder approval. Moreover, executive officers are expected to hold no more than one external directorships to ensure they have sufficient time and energy to discharge their roles properly, particularly during unexpected company situations requiring substantial amounts of time.</i>				
1h	Elect Director Larry L. Mathis	Mgmt	For	Against
<i>Voter Rationale: Changes in company bylaws or articles of incorporation should not erode shareholders' rights and should be subject to shareholder approval.</i>				
2	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	Against
<i>Voter Rationale: The remuneration committee should not allow vesting of incentive awards for below median performance. Furthermore, a larger percentage of the equity awards should be tied to performance conditions. At least 50% is a minimum good practice. Moreover, severance payments should not exceed two years' pay. Larger severance packages should be subject to a separate shareholder approval. In addition, incentive awards to executives should be clearly disclosed and include robust and stretching performance targets to reward strong performance and drive shareholder value over a sufficiently long period of time. Also, the company should put in place a procedure which would enable it, should it identify any facts of manipulation of reported indicators or other bad faith actions on the part of any of its executive directors and other key managers which were detrimental to the long-term interests of its shareholders, to ensure that any funds wrongfully obtained in such manner are repaid to it.</i>				

Kingfisher Plc

Meeting Date: 07/09/2019	Country: United Kingdom	Ticker: KGF
	Meeting Type: Annual	
	Primary ISIN: GB0033195214	Primary SEDOL: 3319521

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
2	Approve Remuneration Report	Mgmt	For	Against
<i>Voter Rationale: A vote AGAINST the remuneration report is warranted because:* Bonus payments made in the year under review do not appear justified by company performance; and* Alignment share awards will be granted to the CEO at the same level as in FY2019. This is not considered appropriate in the context of company performance, and in view of the fact that Kingfisher has already announced a succession planning process that will see the CEO step down.</i>				

McKesson Corporation

Meeting Date: 07/31/2019	Country: USA	Ticker: MCK
	Meeting Type: Annual	
	Primary ISIN: US58155Q1031	Primary SEDOL: 2378534

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McKesson Corporation

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
3	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	Against
<i>Voter Rationale: Following his retirement at the end of fiscal year 2019, former CEO Hammergren's employment agreement entitles him to lifetime benefits with an aggregate present value of \$2.8 million, which includes lifetime medical coverage, financial counseling, office space, and secretarial support. The payment of lifetime benefits to former executives represents an unnecessary cost to shareholders not supported by market best practices, and is considered a problematic pay practice. In addition, Hammergren's annual incentive payout was essentially unchanged from fiscal 2018 to 2019 despite a lower level of outperformance relative to the financial targets in 2019 as compared to 2018. This was driven by an approximate \$1.15 million increase to his 2019 payout resulting from the contractually obligated individual performance multiplier.</i>				
4	Report on Lobbying Payments and Policy	SH	Against	For
<i>Voter Rationale: Comprehensive, aggregate disclosure on political spending is best practice. Disclosure should include all state and local donations including support for 527 organizations and ballot initiatives. In addition, the company should identify key relationships with trade associations that engage in lobbying on the corporation's behalf, as well as describe its policies and processes for giving. We ask that the board provide ultimate oversight for political donations.</i>				
5	Reduce Ownership Threshold for Shareholders to Call Special Meeting	SH	Against	For
<i>Voter Rationale: Holders of significant share capital should be entitled to call a special meeting. A total holding requirement of 5% is a suitable threshold to prevent abuse.</i>				

NetApp, Inc.

Meeting Date: 09/12/2019	Country: USA
Meeting Type: Annual	Ticker: NTAP
Primary ISIN: US64110D1046	Primary SEDOL: 2630643

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1g	Elect Director George T. Shaheen	Mgmt	For	Against
<i>Voter Rationale: Directors with long board tenures should not serve on committees that require absolute independence. The compensation committee should be independent and this director's membership could hamper the committee's impartiality and effectiveness.</i>				
2	Amend Omnibus Stock Plan	Mgmt	For	Against
<i>Voter Rationale: This plan could lead to excessive dilution. Also, the plan improperly allows for accelerated vesting for an overly broad range of corporate restructuring scenarios and such provisions fail to reward performance. Rather, equity should be rolled forward into any successor company, or vest in a time-apportioned fashion only to the extent that performance conditions are met or if an executive loses his job. In addition, share options should not be granted to non-executive directors as this may compromise their independence and ability to hold management accountable. Moreover, incentive awards to executives should be clearly disclosed and include robust and stretching performance targets to reward strong performance and drive shareholder value over a sufficiently long period of time.</i>				

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NetApp, Inc.

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
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4	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	Against
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Voter Rationale: The remuneration committee should not allow vesting of incentive awards for below median performance. Also, all exceptional awards should be clearly linked to performance and demonstrate shareholder value creation in addition to and above that expected of directors as a normal part of their jobs.

QinetiQ Group plc

Meeting Date: 07/24/2019	Country: United Kingdom	Meeting Type: Annual	Ticker: QQ
Primary ISIN: GB00B0WMWD03	Primary SEDOL: B0WMWD0		

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
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2	Approve Remuneration Report	Mgmt	For	Against
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Voter Rationale: Long-term incentive schemes should be based on forward-looking multi-year performance targets to ensure appropriate alignment between the interests of executives and shareholders.

10	Re-elect Susan Searle as Director	Mgmt	For	Against
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Voter Rationale: Directors are expected to hold only a small number of directorships and ensure they have sufficient time and energy to discharge their role properly, particularly during unexpected company situations requiring substantial amounts of time.

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