

Statement on voting policy

In normal circumstances ownership of share by the CFB implies an acceptance that the company is being run in a manner which is not at variance with the principles set out in the CFB Mission Statement.

However, the CFB recognises that all companies fall short of the ideal in their performance with regard to both corporate governance and social justice.

The CFB is, therefore, committed:

- to challenge companies to make social justice a growing influence in their decision making process and;
- to encourage companies to adopt an accepted benchmark of best practice on corporate governance.

The CFB will use its voting powers in conjunction with its continuing policy of engaging companies in constructive dialogue to implement this commitment.

The CFB will report on the exercise of its voting powers to the Joint Advisory Committee on the Ethics of Investment. This will enable the Committee to comment on the CFB voting policy and its execution as part of its function to advise the CFB of ethical considerations relating to investment.

The CFB will use its best endeavours to ensure that the exercise of its voting powers is both fair and consistent. Sufficient resources will be made available to ensure that this claim can be justified.

The CFB will seek to make increasing use of its voting powers but recognises that it may never fully use such powers. Consequently, any failure to vote on a particular matter should not automatically be construed as either agreement with or opposition to the resolution.

Ethical and corporate governance standards may change over time. Consequently, the way in which the CFB uses its voting powers may also change to ensure the consistency of its ethical policy.

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