

# BAE Systems Pension Fund CIF Trustees Ltd Engagement report

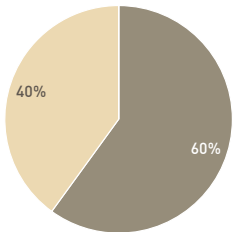
# Q2/11

## Engagement by region

Over the last quarter we engaged with 59 companies held in the BAE Systems Pension Fund CIF Trustees Ltd portfolios on a range of 218 social, environmental and governance issues.

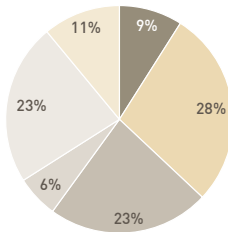
### Africa and Middle East

We engaged with one company over the last quarter.



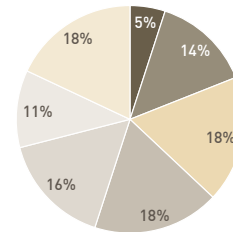
### Americas

We engaged with eight companies over the last quarter.



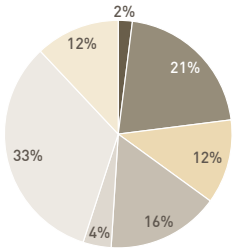
### Asia

We engaged with 15 companies over the last quarter.



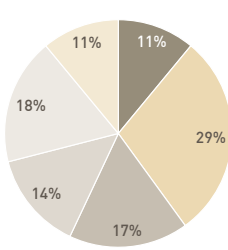
### Europe

We engaged with 18 companies over the last quarter.



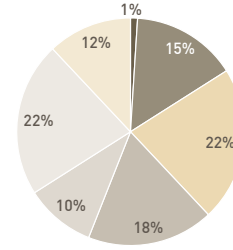
### UK

We engaged with 17 companies over the last quarter.



### Global

We engaged with 59 companies over the last quarter.



- Shareholder communications
- Environmental
- Social and ethical
- Risk management
- Business strategy
- Governance
- Remuneration

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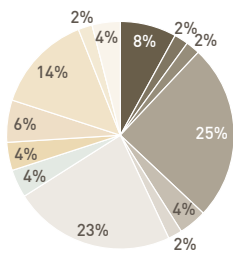
# Q2/11

## Engagement by issue

Over the last quarter we engaged with 59 companies held in the BAE Systems Pension Fund CIF Trustees Ltd portfolios on a range of 218 social, environmental and governance issues.

### Social and ethical

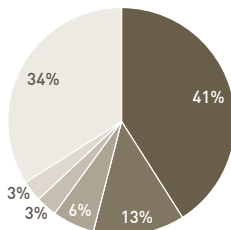
Social issues featured in 22% of our engagements over the last quarter.



- Employee relations
- Community relations
- Customer relations
- Health and safety
- Supply chain (inc child/other labour issues)
- Operations in troubled regions
- Corporate culture
- Munitions manufacture
- Access to medicines/clinical trials
- Political risk management
- Bribery and corruption
- Licence to operate
- Other social & ethical

### Environmental

Environmental issues featured in 15% of our engagements over the last quarter.



- Climate change/carbon intensity
- Water stress
- Oil sands
- Forestry
- Biodiversity
- Other environmental

### Other engagement

Business strategy featured in 10% of our engagements over the last quarter.

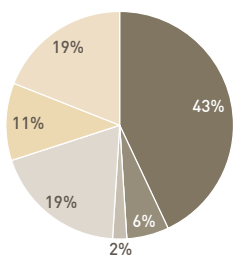
Remuneration featured in 12% of our engagements over the last quarter.

Risk management featured in 18% of our engagements over the last quarter.

Shareholder communications featured in 1% of our engagements over the last quarter.

### Governance

Governance issues featured in 22% of our engagements over the last quarter.



- Board structure
- Committee structure
- Conflicts of interest
- Succession planning
- Separation chair/CEO
- Other governance