

Insight Investment
**Responsible
Investment Policy**

July 2009



Responsible Investment Policy

Our Objectives

Insight's core business is investing in companies on behalf of a wide range of institutional and retail clients. We manage money for over 250 institutional clients and some 3 million individuals.

Insight believes that, as a major institutional investment manager, we have a duty to consider, in our investment decision-making, the potential financial impact of companies' exposure to, and management of, environmental, social and governance issues. We also believe that it is in our clients' best interests that we encourage high standards of corporate governance and corporate responsibility in the companies in which we invest.

As one of the largest asset managers in the UK, we take these responsibilities very seriously. Insight has been a leading activist on corporate governance for over thirty years. In 2002 we made a commitment to manage all of our clients' funds according to responsible investment principles, and we established the Responsible Investment and Corporate Governance teams to deliver on that commitment. Since then, we have played an active role in many debates on corporate governance, climate change, sustainable development and corporate responsibility, and we have influenced the companies in which we invest to run their businesses more responsibly.

Our Rationale

We believe that environmental, social and governance issues can be key drivers of investment value. Companies that fail to manage their environmental and social impacts effectively, or that fail to adopt robust ethical policies and governance practices, risk suffering direct financial harm or damage to their reputations. By contrast, companies that manage these issues well are likely to benefit in a variety of ways, by, for example, achieving greater efficiency, winning new contracts, building market share, and gaining the trust of consumers and regulators.

Insight therefore considers, as an integral element of its investment processes, the social and environmental trends that can influence companies' long-term success and the effectiveness of companies' management of these issues.

We also believe we have a responsibility to encourage the companies in which we invest – across our equity and bond portfolios – to adopt high standards of corporate governance and corporate responsibility through actively engaging with them.

Implementation

We deliver on our commitments to responsible investment in the following ways:

- We integrate analysis of environmental, social and governance issues into our core investment decision making.
- We encourage companies to adhere to corporate governance best practice, such as that laid out in the UK's Combined Code on Corporate Governance, by promoting best practice on remuneration, strategy and succession planning, and by exercising our clients' voting rights. In exceptional circumstances, we take further steps, such as requisitioning meetings and proposing resolutions.
- We engage with companies and other stakeholders on social and environmental issues with the objective of encouraging higher standards in these areas.
- We offer specialist investment products to our institutional and retail clients that enable them to invest according to their ethical values while pursuing their investment objectives.
- We take an active part in debates, conferences and policy consultations on responsible investment, and play an active role in promoting corporate governance, corporate responsibility and responsible investment.
- We collaborate with other investors to try and achieve beneficial outcomes on relevant corporate governance and corporate responsibility issues.
- We contribute to wider debates and industry discussions on corporate governance and corporate responsibility issues.

Insight is also a founding signatory of the UN Principles for Responsible Investment, launched in 2006. We actively implement these Principles and report on how we do so annually.

Transparency

Insight is committed to reporting fully and transparently on our responsible investment activities. We therefore publish details of our engagement and voting activities on a quarterly basis, as well as a detailed annual account of our responsible investment activities. We also publish our views and opinions on a range of corporate governance and corporate responsibility issues in regular briefings. Our reports and publications can be found at http://www.insightinvestment.com/responsibility/publications/publications_and_reporting.asp

Scope

This policy applies to our global equity holdings and our global corporate bond holdings .

This policy governs Insight Investment's actions on behalf of all clients, unless they request otherwise.

Governance of the policy

This policy is issued by Insight's Chief Executive Officer, who is accountable for ensuring its effective implementation.

Day-to-day oversight of the Responsible Investment and Corporate Governance teams is the responsibility of the Head of Equities.

This policy will occasionally be revised, as necessary.

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