



# West Yorkshire Pension Fund

## PROXY VOTING REVIEW

PERIOD 1<sup>st</sup> January 2023 to 31<sup>st</sup> March 2023

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## 1 Resolution Analysis

- Number of resolutions voted: 2623 (note that it MAY include non-voting items).
- Number of resolutions supported by client: 1605
- Number of resolutions opposed by client: 557
- Number of resolutions abstained by client: 284
- Number of resolutions Non-voting: 163
- Number of resolutions Withheld by client: 0
- Number of resolutions Not Supported by client: 2

## 1.1 Number of meetings voted by geographical location

Location	Number of Meetings Voted
UK & BRITISH OVERSEAS	52
EUROPE & GLOBAL EU	64
USA & CANADA	12
ASIA	40
JAPAN	6
AUSTRALIA & NEW ZEALAND	4
SOUTH AMERICA	29
<b>TOTAL</b>	<b>207</b>

## 1.2 Number of Resolutions by Vote Categories

Vote Categories	Number of Resolutions
For	1605
Abstain	284
Oppose	557
Non-Voting	163
Not Supported	2
Withhold	0
US Frequency Vote on Pay	10
Withdrawn	1
<b>TOTAL</b>	<b>2623</b>

### 1.3 List of meetings not voted and reasons why

Company	Meeting Date	Type	Comment
BAILLIE GIFFORD EUROPEAN GROWTH TRUST PLC	02-02-2023	AGM	No ballot received
HOME REIT PLC	20-02-2023	EGM	Information only meeting
LOGISTICS DEVELOPMENT GROUP PLC	06-03-2023	EGM	No ballot received
AMIGO HOLDINGS PLC	08-03-2023	EGM	Information only meeting
BANCO BRADESCO	10-03-2023	AGM	No voting rights
BANCO BRADESCO	10-03-2023	CLASS	No ballot received
BANCO BRADESCO	10-03-2023	EGM	No ballot received
ROCHE HOLDING AG	14-03-2023	AGM	No voting rights
EL PUERTO DE LIVERPOOL SA	16-03-2023	AGM	No ballot received
THK CO LTD	18-03-2023	AGM	No ballot received
SURESERVE PLC	21-03-2023	AGM	No ballot received
KAO CORPORATION	24-03-2023	AGM	No ballot received
ASAHI GROUP HOLDINGS LTD	28-03-2023	AGM	No ballot received
KT&G CORP	28-03-2023	AGM	No ballot received
TELEFONAKTIEBOLAGET LM ERICSSON	29-03-2023	AGM	No ballot received
SCA (SVENSKA CELLULOSA) AB	30-03-2023	AGM	No ballot received
TIM SA	30-03-2023	AGM	No ballot received
ORBIA ADVANCE CORPORATION, S.A.B. DE C.V.	30-03-2023	AGM	No ballot received
WAL MART DE MEXICO SA	30-03-2023	AGM	No ballot received
PANTHEON INFRASTRUCTURE	30-03-2023	AGM	No ballot received
MINAS BUENAVENTURA SA	31-03-2023	AGM	No ballot received

## 1.4 List of meetings with rejected votes and reasons why

Company	Meeting Date	Type	Comment
ALFA SAB DE CV	09-03-2023	EGM	Other (generic rejection)

## 1.5 Number of Votes by Region

	For	Abstain	Oppose	Non-Voting	Not Supported	Withhold	Withdrawn	US Frequency Vote on Pay	Total
UK & BRITISH OVERSEAS	450	44	174	0	0	0	1	0	669
EUROPE & GLOBAL EU	673	150	158	162	0	0	0	1	1144
USA & CANADA	88	6	65	0	0	0	0	9	168
ASIA	152	65	67	0	2	0	0	0	286
JAPAN	57	0	11	0	0	0	0	0	68
AUSTRALIA & NEW ZEALAND	13	2	7	1	0	0	0	0	23
SOUTH AMERICA	172	17	75	0	0	0	0	0	264
<b>TOTAL</b>	<b>1605</b>	<b>284</b>	<b>557</b>	<b>163</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>10</b>	<b>2623</b>

## 1.6 Votes Made in the Portfolio Per Resolution Category



## Portfolio

	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
All Employee Schemes	6	0	5	0	0	0	0
Annual Reports	140	79	79	0	0	0	0
Articles of Association	78	8	6	1	0	0	0
Auditors	78	28	47	0	0	0	0
Corporate Actions	42	2	4	0	0	0	0
Corporate Donations	16	2	2	0	0	0	0
Debt & Loans	8	0	6	0	0	0	0
Directors	795	127	221	0	1	0	1
Dividend	104	1	2	0	0	0	0
Executive Pay Schemes	5	1	20	0	0	0	0
Miscellaneous	103	3	5	3	0	0	0
NED Fees	49	15	9	1	0	0	0
Non-Voting	0	0	0	156	0	0	0
Say on Pay	0	4	9	0	0	0	0
Share Capital Restructuring	28	1	4	1	0	0	0
Share Issue/Re-purchase	105	7	125	1	0	0	0
Shareholder Resolution	48	6	13	0	1	0	0

## 1.7 Votes Made in the UK Per Resolution Category

	UK						
	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
Annual Reports	18	10	10	0	0	0	0
Remuneration Reports	12	0	22	0	0	0	0
Remuneration Policy	8	0	8	0	0	0	0
Dividend	29	0	0	0	0	0	0
Directors	208	14	23	0	0	0	1
Approve Auditors	8	7	24	0	0	0	0
Share Issues	64	3	14	0	0	0	0
Share Repurchases	0	0	34	0	0	0	0
Executive Pay Schemes	1	0	5	0	0	0	0
All-Employee Schemes	5	0	3	0	0	0	0
Political Donations	14	2	0	0	0	0	0
Articles of Association	6	0	1	0	0	0	0
Mergers/Corporate Actions	8	0	0	0	0	0	0
Meeting Notification related	23	1	0	0	0	0	0
All Other Resolutions	46	1	23	0	0	0	0
Shareholder Resolution	0	6	7	0	0	0	0

## 1.8 Votes Made in the US/Global US & Canada Per Resolution Category

### US/Global US & Canada

	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
All Employee Schemes	1	0	1	0	0	0	0
Annual Reports	0	0	0	0	0	0	0
Articles of Association	0	0	0	0	0	0	0
Auditors	2	0	10	0	0	0	0
Corporate Actions	0	0	0	0	0	0	0
Corporate Donations	0	0	0	0	0	0	0
Debt & Loans	0	0	0	0	0	0	0
Directors	70	2	41	0	0	0	0
Dividend	0	0	0	0	0	0	0
Executive Pay Schemes	0	0	2	0	0	0	0
Miscellaneous	0	0	0	0	0	0	0
NED Fees	0	0	0	0	0	0	0
Non-Voting	0	0	0	0	0	0	0
Say on Pay	0	4	8	0	0	0	0
Share Capital Restructuring	0	0	0	0	0	0	0
Share Issue/Re-purchase	0	0	0	0	0	0	0

## 1.9 Shareholder Votes Made in the US Per Resolution Category

	US/Global US and Canada						
	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
<b>Social Policy</b>							
Human Rights	0	3	0	0	3	0	0
Employment Rights	0	2	0	0	0	0	0
<b>Executive Compensation</b>							
Severance Payments	0	1	0	0	0	0	0
Remuneration Issues	0	1	0	0	0	0	0
<b>Corporate Governance</b>							
Special Meetings	0	1	0	0	0	0	0
Chairman Independence	0	1	0	0	0	0	0
Other	0	2	0	0	0	0	0
Proxy Access	0	1	0	0	0	0	0

## 1.10 Votes Made in the EU & Global EU Per Resolution Category

	EU & Global EU						
	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
All Employee Schemes	0	0	1	0	0	0	0
Annual Reports	58	52	20	0	0	0	0
Articles of Association	57	0	1	1	0	0	0
Auditors	30	19	10	0	0	0	0
Corporate Actions	6	0	0	0	0	0	0
Corporate Donations	2	0	2	0	0	0	0
Debt & Loans	3	0	6	0	0	0	0
Directors	340	78	56	0	0	0	0
Dividend	50	0	0	0	0	0	0
Executive Pay Schemes	2	0	10	0	0	0	0
Miscellaneous	41	1	2	3	0	0	0
NED Fees	34	0	3	1	0	0	0
Non-Voting	0	0	0	155	0	0	0
Say on Pay	0	0	1	0	0	0	0
Share Capital Restructuring	17	0	2	1	0	0	0
Share Issue/Re-purchase	24	0	42	1	0	0	0
Shareholder Resolution	9	0	2	0	0	0	0

## 1.11 Votes Made in the Global Markets Per Resolution Category

	Global Markets						
	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
All Employee Schemes	0	0	0	0	0	0	0
Annual Reports	44	17	19	0	0	0	0
Articles of Association	15	8	4	0	0	0	0
Auditors	5	1	3	0	0	0	0
Corporate Actions	27	2	4	0	0	0	0
Corporate Donations	0	0	0	0	0	0	0
Debt & Loans	4	0	0	0	0	0	0
Directors	177	33	101	0	1	0	0
Dividend	22	1	2	0	0	0	0
Executive Pay Schemes	2	1	3	0	0	0	0
Miscellaneous	36	1	1	0	0	0	0
NED Fees	14	15	6	0	0	0	0
Non-Voting	0	0	0	1	0	0	0
Say on Pay	0	0	0	0	0	0	0
Share Capital Restructuring	9	1	2	0	0	0	0
Share Issue/Re-purchase	15	4	14	0	0	0	0
Shareholder Resolution	24	0	1	0	1	0	0

## 1.12 Geographic Breakdown of Meetings All Supported

### SZ

Meetings	All For	AGM	EGM
4	0	0	0

### AS

Meetings	All For	AGM	EGM
40	7	4	3

### UK

Meetings	All For	AGM	EGM
52	10	0	10

### EU

Meetings	All For	AGM	EGM
64	7	2	5

### SA

Meetings	All For	AGM	EGM
29	11	1	10

### GL

Meetings	All For	AGM	EGM
0	0	0	0

### JP

Meetings	All For	AGM	EGM
6	0	0	0

### US

Meetings	All For	AGM	EGM
12	0	0	0

### TOTAL

Meetings	All For	AGM	EGM
207	35	7	28

### 1.13 List of all meetings voted

Company	Meeting Date	Type	Resolutions	For	Abstain	Oppose
AFRITIN MINING LIMITED	05-01-2023	EGM	3	3	0	0
ELETROBRAS	05-01-2023	EGM	31	31	0	0
SHIELD THERAPEUTICS PLC	05-01-2023	EGM	4	4	0	0
TESSELLIS	10-01-2023	EGM	4	3	0	1
AB DYNAMICS PLC	11-01-2023	AGM	11	10	0	1
SYNTHOMER PLC	11-01-2023	EGM	1	1	0	0
CHINA MOBILE LTD	11-01-2023	EGM	1	1	0	0
ASOS PLC	11-01-2023	AGM	15	9	2	4
BANK OF PHILIPPINE ISLANDS	17-01-2023	EGM	8	7	1	0
AEGON NV	17-01-2023	EGM	4	1	0	0
XXL ASA	17-01-2023	EGM	8	6	0	0
WH SMITH PLC	18-01-2023	AGM	19	11	1	6
LINDE PLC	18-01-2023	EGM	3	3	0	0
LINDE PLC	18-01-2023	COURT	1	1	0	0
D. R. HORTON INC.	18-01-2023	AGM	8	6	0	2
COSTCO WHOLESALE CORPORATION	19-01-2023	AGM	15	7	0	7
KONINKLIJKE (ROYAL) DSM NV	23-01-2023	EGM	6	3	0	0
METRO INC.	24-01-2023	AGM	17	14	1	2
MARSTON'S PLC	24-01-2023	AGM	18	11	0	7
VISA INC	24-01-2023	AGM	14	9	1	3
BR PROPERTIES SA	24-01-2023	EGM	4	4	0	0
BECTON, DICKINSON AND COMPANY	24-01-2023	AGM	16	6	0	9
SIEMENS GAMESA RENEWABLE ENERGY SA	25-01-2023	EGM	8	6	0	2
DORIC NIMROD AIR ONE LIMITED	25-01-2023	EGM	1	1	0	0
BRITVIC PLC	26-01-2023	AGM	20	15	2	3
AIR PRODUCTS AND CHEMICALS INC.	26-01-2023	AGM	11	5	0	5



Company	Meeting Date	Type	Resolutions	For	Abstain	Oppose
BARINGS EMERGING EMEA OPPORTUNITIES PLC	26-01-2023	AGM	14	13	0	1
TELENOR ASA	26-01-2023	EGM	6	2	0	1
AVON PROTECTION PLC	27-01-2023	AGM	17	10	2	5
ON THE BEACH GROUP PLC	27-01-2023	AGM	19	10	2	7
TREATT PLC	27-01-2023	AGM	16	10	1	5
ALSEA SA DE CV	27-01-2023	EGM	7	7	0	0
MOTA-ENGIL SGPS SA	30-01-2023	EGM	4	3	0	1
CHINA LONGYUAN POWER GROUP	30-01-2023	EGM	2	2	0	0
FIBRA PROLOGIS PROPERTY MEXICO	30-01-2023	AGM	6	5	0	1
RESIDENTIAL SECURE INCOME PLC	31-01-2023	AGM	15	12	1	2
RENEW HOLDINGS PLC	01-02-2023	AGM	12	9	0	3
CAPRICORN ENERGY PLC	01-02-2023	EGM	10	6	0	4
IMPERIAL BRANDS PLC	01-02-2023	AGM	20	13	2	5
TELEFONICA BRASIL SA	01-02-2023	EGM	4	0	0	4
CAPRICORN ENERGY PLC	01-02-2023	EGM	13	0	6	7
ACCENTURE PLC	01-02-2023	AGM	15	6	1	7
EVN AG	02-02-2023	AGM	6	3	1	1
THE SAGE GROUP PLC	02-02-2023	AGM	24	19	0	5
THYSSENKRUPP AG	03-02-2023	AGM	14	14	0	0
FOCUSRITE PLC	03-02-2023	AGM	13	8	1	4
ALLERGY THERAPEUTICS PLC	07-02-2023	EGM	11	6	2	3
EMERSON ELECTRIC CO.	07-02-2023	AGM	6	0	0	5
SIEMENS ENERGY AG	07-02-2023	AGM	37	32	2	2
DISTRIBUCION INTEGRAL LOGISTA HOLDINGS	07-02-2023	AGM	14	10	0	4
FUTURE PLC	08-02-2023	AGM	25	16	0	9
GRAINGER PLC	08-02-2023	AGM	19	11	2	6
JASA MARGA(INDONESIA HWY CO)	08-02-2023	EGM	1	0	1	0
SIEMENS AG	09-02-2023	AGM	39	34	0	4

Company	Meeting Date	Type	Resolutions	For	Abstain	Oppose
TYSON FOODS INC	09-02-2023	AGM	18	7	0	10
TRITAX EUROBOX PLC	09-02-2023	AGM	16	12	0	4
COMPASS GROUP PLC	09-02-2023	AGM	23	15	3	5
EASYJET PLC	09-02-2023	AGM	19	12	2	5
VICTREX PLC	10-02-2023	AGM	22	12	5	5
UNITED MALT GROUP LTD	10-02-2023	AGM	4	3	1	0
HYUNDAI GREEN FOOD CO LTD	10-02-2023	EGM	2	0	1	1
GRUPO AEROPORTUARIO DEL CENTRO NORTE	13-02-2023	EGM	2	2	0	0
GCP INFRASTRUCTURE INVESTMENTS LTD	15-02-2023	AGM	15	13	0	2
PETRO MATAD LTD	15-02-2023	AGM	6	1	1	4
SSP GROUP PLC	16-02-2023	AGM	19	15	0	4
BENCHMARK HOLDINGS PLC	16-02-2023	AGM	18	8	0	10
GRAINCORP LTD	16-02-2023	AGM	3	1	0	2
BR PROPERTIES SA	17-02-2023	EGM	1	1	0	0
VIRGIN MONEY UK PLC	21-02-2023	AGM	23	12	2	9
RWS HOLDINGS PLC	22-02-2023	AGM	17	11	0	6
GOOCH & HOUSEGO PLC	22-02-2023	AGM	14	12	0	2
WENTWORTH RESOURCES PLC	23-02-2023	COURT	1	1	0	0
WENTWORTH RESOURCES PLC	23-02-2023	EGM	1	1	0	0
FORESIGHT SUSTAINABLE FORESTRY	23-02-2023	AGM	13	10	0	3
CAMBIUM GLOBAL TIMBERLAND	23-02-2023	AGM	3	2	0	1
DONGFANG ELECTRIC CORP LTD	24-02-2023	EGM	2	1	0	1
DONGFANG ELECTRIC CORP LTD	24-02-2023	CLASS	1	0	0	1
EDISTON PROPERTY INVESTMENT COMPANY	24-02-2023	AGM	14	12	1	1
ARISTOCRAT LEISURE LTD	24-02-2023	AGM	8	5	0	3
KONE CORP	28-02-2023	AGM	28	16	3	2
AQUILA ENERGY EFFICIENCY TRUST PLC	28-02-2023	EGM	2	2	0	0
RIVER AND MERCANTILE UK MICRO CAP INV COMPANY LTD	01-03-2023	AGM	10	8	0	2

Company	Meeting Date	Type	Resolutions	For	Abstain	Oppose
ABERFORTH SMALLER COMPANIES TRUST PLC	02-03-2023	AGM	13	11	0	2
NOVOZYMES AS	02-03-2023	AGM	18	11	5	1
MULTIPLAN EMPREENDIMENTOS	03-03-2023	EGM	2	0	0	2
OI S.A.	06-03-2023	EGM	10	5	5	0
ORSTED AS	07-03-2023	AGM	18	14	1	1
NOVARTIS AG	07-03-2023	AGM	31	22	4	5
CREO MEDICAL GROUP PLC	08-03-2023	EGM	2	2	0	0
QUALCOMM INCORPORATED	08-03-2023	AGM	15	10	1	4
ALFA SAB DE CV	09-03-2023	EGM	3	3	0	0
WARTSILA OYJ ABP	09-03-2023	AGM	18	7	1	3
APPLIED MATERIALS INC	09-03-2023	AGM	15	11	1	2
ALFA SAB DE CV	09-03-2023	AGM	5	2	1	2
APPLE INC	10-03-2023	AGM	17	5	0	11
MAPFRE SA	10-03-2023	AGM	18	13	1	4
BANCO BRADESCO	10-03-2023	CLASS	1	0	0	1
ATRATO ONSITE ENERGY PLC	10-03-2023	AGM	15	13	0	2
CARLSBERG AS	13-03-2023	AGM	18	8	7	2
GEORGIA CAPITAL PLC	14-03-2023	EGM	1	1	0	0
NELLY GROUP AB	14-03-2023	EGM	14	7	0	0
BANK MANDIRI (PERSERO) TBK	14-03-2023	AGM	8	7	1	0
MFE-MEDIAFOREUROPE NV	15-03-2023	EGM	2	2	0	0
CHEMRING GROUP PLC	15-03-2023	AGM	19	11	3	5
INVINITY ENERGY SYSTEMS PLC	15-03-2023	EGM	2	0	0	2
SAMSUNG ELECTRONICS CO LTD	15-03-2023	AGM	3	3	0	0
SAMSUNG SDI CO LTD	15-03-2023	AGM	9	9	0	0
SAFESTORE HOLDINGS PLC	15-03-2023	AGM	18	12	2	4
STORA ENSO OYJ	16-03-2023	AGM	20	9	3	0
PANDORA AS	16-03-2023	AGM	18	11	1	4

Company	Meeting Date	Type	Resolutions	For	Abstain	Oppose
CHEIL WORLDWIDE INC	16-03-2023	AGM	4	2	0	2
HEXAGON PURUS AS	16-03-2023	EGM	6	2	0	3
DSV A/S	16-03-2023	AGM	16	9	4	1
BANCO BILBAO VIZCAYA ARGENTARIA SA (BBVA)	16-03-2023	AGM	14	10	3	1
DANSKE BANK AS	16-03-2023	AGM	25	17	4	3
KIA MOTORS CORP	17-03-2023	AGM	9	0	9	0
LG UPLUS CORP	17-03-2023	AGM	8	1	3	4
SAMSUNG C&T CORPORATION	17-03-2023	AGM	9	5	0	4
SAMSUNG FIRE & MARINE INS	17-03-2023	AGM	6	1	5	0
THK CO LTD	18-03-2023	AGM	10	9	0	1
CHINA CONSTRUCTION BANK CORP	20-03-2023	EGM	2	2	0	0
FIBRA PROLOGIS PROPERTY MEXICO	21-03-2023	AGM	8	8	0	0
SURESERVE PLC	21-03-2023	AGM	14	9	1	4
NAVER CORP	22-03-2023	AGM	3	1	2	0
SVENSKA HANDELSBANKEN	22-03-2023	AGM	33	15	2	8
MOTOR OIL CORINTH REFINERIES	22-03-2023	EGM	3	0	0	3
VALMET CORP	22-03-2023	AGM	18	6	0	5
STARBUCKS CORPORATION	23-03-2023	AGM	16	8	2	5
BANCO DE CHILE	23-03-2023	AGM	16	6	0	10
BB BIOTECH AG	23-03-2023	AGM	18	16	0	2
CARGOTEC CORP	23-03-2023	AGM	21	10	2	2
ABB LTD	23-03-2023	AGM	27	19	3	5
NOVO NORDISK A/S	23-03-2023	AGM	21	11	5	3
GJENSIDIGE FORSIKRING	23-03-2023	AGM	21	10	3	6
ORION HOLDINGS	23-03-2023	AGM	4	4	0	0
CEMEX SAB DE CV	23-03-2023	AGM	11	6	0	5
NKT HOLDING A/S	23-03-2023	AGM	16	7	1	6
NORDEA BANK ABP	23-03-2023	AGM	31	20	3	1

Company	Meeting Date	Type	Resolutions	For	Abstain	Oppose
SYDBANK AS	23-03-2023	AGM	40	4	33	1
BLACKROCK THROGMORTON TRUST PLC	23-03-2023	AGM	16	13	0	3
SKF AB	23-03-2023	AGM	26	19	0	2
ORION CORP (SOUTH KOREA)	23-03-2023	AGM	6	1	2	3
SHINHAN FINANCIAL GROUP LTD	23-03-2023	AGM	15	15	0	0
TAEYOUNG ENGINEERING & CONST	24-03-2023	AGM	3	0	2	1
HANA FINANCIAL HOLDINGS	24-03-2023	AGM	15	7	6	2
KAO CORPORATION	24-03-2023	AGM	12	11	0	0
OSSTEM IMPLANT CO LTD	24-03-2023	AGM	10	0	2	8
SHISEIDO CO LTD	24-03-2023	AGM	14	12	0	2
KB FINANCIAL GROUP	24-03-2023	AGM	15	11	3	1
ADVANCED INFO SERVICE PCL	27-03-2023	AGM	11	7	0	4
CREDICORP LTD	27-03-2023	AGM	11	7	1	3
NESTE	28-03-2023	AGM	19	6	2	4
SWISSCOM	28-03-2023	AGM	28	21	3	4
HOLMEN AB	28-03-2023	AGM	19	7	0	3
CDON AB	28-03-2023	EGM	16	7	0	2
NATURGY ENERGY GROUP SA	28-03-2023	AGM	13	5	4	3
AP MOLLER - MAERSK AS	28-03-2023	AGM	22	16	3	2
LG CHEMICAL LTD	28-03-2023	AGM	4	1	2	1
BRIDGESTONE CORP	28-03-2023	AGM	14	10	0	4
SK TELECOM CO LTD	28-03-2023	AGM	8	4	1	3
CONTROLADORA NEMAK SAB de CV	28-03-2023	AGM	5	2	1	2
KAKAO CORP	28-03-2023	AGM	17	4	13	0
KT&G CORP	28-03-2023	AGM	34	29	0	3
TELEFONAKTIEBOLAGET LM ERICSSON	29-03-2023	AGM	56	17	21	10
LS CORP	29-03-2023	AGM	8	0	1	7
ROCKWOOL INTERNATIONAL A/S	29-03-2023	AGM	16	5	5	3

Company	Meeting Date	Type	Resolutions	For	Abstain	Oppose
KONECRANES PLC	29-03-2023	AGM	21	10	0	4
ESSITY AB	29-03-2023	AGM	41	27	3	5
SIAM CEMENT PCL	29-03-2023	AGM	11	7	1	3
ENAGAS SA	29-03-2023	AGM	14	14	0	0
HANKOOK TIRE CO LTD	29-03-2023	AGM	2	0	1	1
SK HYNIX	29-03-2023	AGM	8	7	0	1
HYUNDAI GREEN FOOD CO LTD	29-03-2023	AGM	6	0	2	4
KOREA GAS CORP	29-03-2023	AGM	2	0	0	2
GRUPO DE MODA SOMA	30-03-2023	EGM	4	4	0	0
OUTOKUMPU OY	30-03-2023	AGM	19	10	1	1
SK INNOVATION CO LTD	30-03-2023	AGM	6	0	1	5
RAIFFEISEN BANK INTERNATIONAL AG	30-03-2023	AGM	7	6	0	0
SCA (SVENSKA CELLULOSA) AB	30-03-2023	AGM	47	31	4	4
TRYG AS	30-03-2023	AGM	19	11	3	3
TIM SA	30-03-2023	AGM	14	11	0	3
ORBIA ADVANCE CORPORATION, S.A.B. DE C.V.	30-03-2023	AGM	32	19	3	10
MARCOPOLO SA	30-03-2023	AGM	21	5	6	10
CAIXABANK SA	30-03-2023	AGM	15	14	1	0
WAL MART DE MEXICO SA	30-03-2023	AGM	9	6	0	3
MARCOPOLO SA	30-03-2023	CLASS	1	1	0	0
PANTHEON INFRASTRUCTURE	30-03-2023	AGM	12	10	0	2
MARCOPOLO SA	30-03-2023	EGM	1	1	0	0
ASAHI GLASS CO LTD	30-03-2023	AGM	10	9	0	1
DONGFANG ELECTRIC CORP LTD	30-03-2023	EGM	1	0	0	1
CHR. HANSEN HOLDING AS	30-03-2023	EGM	5	5	0	0
NOVOZYMES AS	30-03-2023	EGM	6	6	0	0
CORPORACION INMOBILIARIA VESTA SAB DE CV	30-03-2023	AGM	11	10	0	1
MELROSE INDUSTRIES PLC	30-03-2023	EGM	1	1	0	0

Company	Meeting Date	Type	Resolutions	For	Abstain	Oppose
SK SQUARE	30-03-2023	AGM	5	3	1	1
CANON INC	30-03-2023	AGM	9	6	0	3
CORPORACION INMOBILIARIA VESTA SAB DE CV	30-03-2023	EGM	4	3	0	1
TELEFONICA SA	30-03-2023	AGM	11	6	1	4
MINAS BUENAVENTURA SA	31-03-2023	AGM	12	10	0	2
UNICREDIT SPA	31-03-2023	AGM	12	7	3	2
FOMENTO ECONOMICO MEXICANO	31-03-2023	AGM	25	10	0	15
TY HOLDINGS CO. LTD	31-03-2023	AGM	5	1	4	0
BANCO SANTANDER SA	31-03-2023	AGM	24	17	1	6
DBS GROUP HOLDINGS LTD	31-03-2023	AGM	12	9	0	3
AMP LTD	31-03-2023	AGM	8	4	1	2
PHAROL SGPS SA	31-03-2023	AGM	6	3	2	1
FOMENTO ECONOMICO MEXICANO	31-03-2023	EGM	3	3	0	0

## 2 Notable Oppose Vote Results With Analysis

Note: Here a notable vote is one where the Oppose result is at least 10%.

### D. R. HORTON INC. AGM - 18-01-2023

#### *2. Advisory Vote on Executive Compensation*

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: AEB. Based on this rating, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 85.3, Abstain: 0.1, Oppose/Withhold: 14.6,

### COSTCO WHOLESALE CORPORATION AGM - 19-01-2023

#### *1g. Elect Charles T. Munger - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

Results: For: 86.8, Abstain: 0.2, Oppose/Withhold: 13.1,

#### *1h. Elect Jeffrey S. Raikes - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board. Additionally, as the Chair of the Nominating and Governance Committee is considered to be accountable for the Company's sustainability programme and given the concerns over the Company's sustainability policies and practice, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 81.0, Abstain: 0.2, Oppose/Withhold: 18.8,

#### *5. Shareholder Resolution: Report on Impacts of Restrictive Reproductive Healthcare Legislation*

**Proponent's argument:** Arjuna Capital proposed that Costco's Board of Directors issue a public report within 6 months of the 2023 annual meeting date, omitting confidential and privileged information and at reasonable expense, detailing any known or potential risks and costs to the company caused by enacted or proposed state policies severely restricting reproductive rights, and detailing any strategies beyond litigation and legal compliance that the company may deploy to minimize or mitigate these risks. "Costco Wholesale Corporation ("Costco") has operations in 45 states, Puerto Rico, and D.C., subject to this patchwork of laws. With *Roe v. Wade* overturned, Costco employees will face greater challenges accessing abortion care. The proponent estimates that 45 percent of Costco's stores in the U.S. are in states or territories that either have or will quickly ban or severely restrict access to abortion care. Employers, as well as employees, bear the cost of restricted access to reproductive health care. For example, women who cannot access abortion are three times more likely to leave the workforce than women who were able to access abortion when needed. The Institute for Women's Policy Research estimates that state-level abortion restrictions annually keep more than 500,000 women aged 15 to 44 out of the workforce. As of August 2022, abortion has been banned in nine states, with another six banning abortion at 6-, 15-, or 18-weeks. Costco may find it difficult to recruit employees to states where abortion is outlawed. This could harm its ability to meet diversity and inclusion goals, with negative consequences to performance, brand and reputation. In a nationwide survey of U.S. consumers in 2021, 64 percent said employers should ensure that employees have access to



the reproductive health care they need, and 42 percent would be more likely to buy from a brand that publicly supports reproductive health care. Surveys consistently show that most Americans agree that abortion decisions should be left to the patient and doctor.

**Company's response:** The board recommended a vote against this proposal. "In the United States, our health plans offer comprehensive reproductive healthcare benefits to eligible employees, which generally include those working at least twenty-four hours weekly. These benefits include: contraception and family planning, infertility, medically necessary abortion services, midwife services, and lactation counseling. We believe that nearly two-thirds of our employees live in states that currently do not severely restrict abortion availability. Should an employee enroll in our benefit plan live in a state denying them the ability to obtain a covered abortion, the plan provides for travel and lodging reimbursement if travel over 100 miles is required. Our benefits cover all FDA-approved birth control drugs, devices, products and services including vasectomies, and over the counter emergency contraception without requiring a prescription when sought from in-network providers, in all fifty states. All employees are provided paid sick time that can be used for any medical treatment. Personal time off and/or medical leaves of absence are also available. "

**PIRC analysis:** Social issues have caught momentum for investors since the COVID-19 pandemic has become a global health crisis, where women have suffered a higher toll, in their ability to conciliate work with family, access to work or even return to work after the pandemic. More specifically on reproductive health, the UN High Commissioner for Human rights stated that human rights bodies have characterized restrictive abortion laws as a form of discrimination against women, and that treaty body jurisprudence has indicated that denying women access to abortion can amount to violations of the rights to health, privacy and, in certain cases, the right to be free from cruel, inhumane and degrading treatment (updated in 2020). It is considered that this report on such practices associated with business activities and with a direct impact on the company's very workforce composition is in shareholders' interests both as a means of informing shareholders of potential risks and opportunities faced by the company.

Vote Cast: *For*

Results: For: 12.7, Abstain: 4.2, Oppose/Withhold: 83.1,

## VISA INC AGM - 24-01-2023

### 5. Shareholder Resolution: *Introduce an Independent Chair Rule*

**Proponent's argument:** National Legal and Policy Center requested the Board of Directors adopt as policy, and amend the bylaws as necessary, to require hereafter that the Chair of the Board of Directors be an independent member of the Board, consistent with applicable law and existing contracts. If the Board determines that a Chair who was independent when selected is no longer independent, the Board shall select a new Chair who satisfies the requirements of the policy within a reasonable amount of time. "According to the Council of Institutional Investors (<https://bit.ly/3pKrtJK>), "A CEO who also serves as chair can exert excessive influence on the board and its agenda, weakening the board's oversight of management. Separating the chair and CEO positions reduces this conflict, and an independent chair provides the clearest separation of power between the CEO and the rest of the board." A 2014 report from Deloitte concluded, "The chairman should lead the board and there should be a clear division of responsibilities between the chairman and the chief executive officer (CEO)." A pair of business law professors wrote for Harvard Business Review in March 2020 that "letting the CEO chair the board can compromise board discussion quality, weakening the corporation's risk management ability... Splitting the CEO and board chair jobs between two people can help strengthen the quality of questions the corporation asks itself. When those questions remain weak, the organization is less likely to develop strategies that mitigate risk."

**Company's response:** The board recommended a vote against this proposal. "We believe Visa's Board leadership structure, which includes a strong Lead Independent Director, best serves the Company and our stockholders. Our current Board leadership structure includes Al Kelly serving as Chairman and Chief Executive Officer, with John Lundgren serving as Lead Independent Director. Overall, directors view the Board and Committees as effective and feel the Board leadership structure works well for the Company. As discussed in more detail under Corporate Governance – Board Leadership Structure, the Board believes that at this time, this current structure is in the best interests of the Company and our stockholders as this structure allows Mr. Kelly to effectively manage the business, execute on our strategic priorities, and lead the Board, while empowering Mr. Lundgren to provide independent Board leadership and oversight with the robust, well-defined leadership powers and responsibilities described below. The Board believes that Mr. Kelly's inclusive leadership style and decades of payments expertise

make him uniquely qualified to lead discussions of the Board; foster an important unity of leadership between the Board and management; and promote alignment of the Company's strategy with its operational execution. "

**PIRC analysis:** There should be a clear division of responsibilities at the head of the company between the running of the board and the executive responsibility for the running of the company's business. No one individual should have unfettered powers of decision. It is considered that an independent Chair can provide independent oversight of management and facilitates clearer lines of accountability with respect to corporate decisions. Support is recommended.

Vote Cast: *For*

Results: For: 17.4, Abstain: 6.9, Oppose/Withhold: 75.7,

## **BECTON, DICKINSON AND COMPANY AGM - 24-01-2023**

### *1.06. Elect Jeffrey W. Henderson - Non-Executive Director*

Independent Non-Executive Director.

Vote Cast: *For*

Results: For: 87.0, Abstain: 0.2, Oppose/Withhold: 12.8,

### *1.11. Elect Bertram L. Scott - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

Results: For: 87.7, Abstain: 0.2, Oppose/Withhold: 12.1,

### *6. Shareholder Resolution: Shareholder Ratification of Termination Pay*

**Proponent's argument:** Kenneth Steiner requested that the Board seek shareholder approval of any senior manager's new or renewed pay package that provides for severance or termination payments with an estimated value exceeding 2.99 times the sum of the executive's base salary plus target short-term bonus. "Generous performance-based pay can sometimes be justified but shareholder ratification of "golden parachute" severance packages with a total cost exceeding 2.99 times base salary plus target short-term bonus better aligns management pay with shareholder interests. For instance at one company, that does not have this policy, if the CEO is terminated he could receive \$44 million in termination pay - over 10 times his base salary plus short-term bonus. In the event of a change in control, the same person could receive a whopping \$124 million in accelerated equity payouts even if he remained employed. It is in the best interest of Becton, Dickinson shareholders and the morale of Becton, Dickinson employees to be protected from such lavish management termination pay for one person. It is important to have this policy in place so that Becton, Dickinson management stays focused on improving company performance as opposed to seeking a business combination as a distraction and to trigger a management golden parachute windfall."

**Company's response:** The board recommended a vote against this proposal. "A critical component of our executive compensation program is long-term incentive compensation. Our long-term incentive compensation, paid in the form of SARs, Performance Units and TVUs, is designed to focus our executives on increasing shareholder value through the successful execution of our strategy and to incentivize their contribution to our long-term growth and performance. Because their value is solely dependent on appreciation in stock price, SARs strongly support the objectives of ensuring that pay is aligned with changes in shareholder value and creating commonality of interest between our executives and shareholders. Performance Units ensure that long-term incentive compensation is also tied directly to the achievement of critically important multi-year performance objectives. Due to the multi-year performance and/or vesting requirements, all of our long-term incentives support the goal of retaining our key executives and encourage our executives to focus on sustaining BD's long-term performance. Long-term equity compensation comprises a significant portion of our executives' total compensation and are granted and accepted with the expectation that the executives will be given a fair opportunity to realize the full value of these awards. The proposal would potentially trigger a shareholder approval requirement in order for our executives to realize the

full value of their equity awards upon death, disability, retirement, or a change in control [...]. The Board of Directors believes requiring shareholder approval in these instances would significantly limit the effectiveness of long-term equity incentive awards in recruiting and retaining executive talent and would directly conflict with the objectives of our executive compensation program. This would put us at a competitive disadvantage against other companies who do not face similar restrictions or uncertainty regarding their ability to offer termination protection. Obtaining shareholder approval would be expensive and impractical and would put us at a competitive disadvantage by limiting our ability to attract and retain highly qualified and effective executives. "

**PIRC analysis:** The company's argument of losing competitive advantage by submitting severance to shareholders' approval is not considered to be an effective one: as a matter of fact, ratification of severance agreements or payments is common practice in developed markets overseas (such as France or Italy). On the contrary, this proposal is considered to be an advance in corporate governance, as it will allow to reduce the gap between shareowners and management.

Vote Cast: *For*

Results: For: 61.4, Abstain: 0.4, Oppose/Withhold: 38.2,

## ON THE BEACH GROUP PLC AGM - 27-01-2023

### 2. Approve Remuneration Policy

Total variable pay excluding sign-on compensation is 200% of base salary, which is considered acceptable. The annual bonus is up to 100% of base salary. There is also a two year holding period for up to 50% of the bonus, which is welcomed; although it would be preferred if 50% of the award was held as a minimum. The long-term incentive is up to 100% of base salary and has a three year performance period, which is considered short term; however there is an additional two year holding period which is welcomed. The company has not used any non-financial performance conditions for the LTIP, which is not best practice. Malus and clawback conditions apply over the whole variable remuneration. There is a shareholding requirement of 200% of base salary which must be met with in five years of appointment, which is welcomed.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). The 'binding' pay policy vote has not been effective. The disappointment with the policy vote comes across in the levels of dissenting votes on remuneration reports, which disclose outcomes under previously agreed policies. When there are contentious circumstances with executives leaving the instrument that really matters is the service contract. As such, the concept of alignment with shareholders' for pay purposes is a fallacy, because the risk and responsibilities are different. Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 78.8, Abstain: 0.6, Oppose/Withhold: 20.5,

### 13. Approve On The Beach Group Plc Long Term Incentive Plan 2023

The Board proposes the approval of a new long-term incentive plan. Under the plan, the CEO and other executives will be awarded rights to shares, a portion (or all) of which will vest depending on the achievement of some performance criteria. Vesting period is three years and as such is considered to be short-term, while performance targets have not been fully disclosed in a quantified manner at this time.

LTIP schemes are not considered an effective means of incentivising performance and are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the company. They are acting as a complex and opaque hedge against absolute company underperformance and long-term share price falls. They are also a significant factor in reward for failure.

Vote Cast: *Oppose*

Results: For: 86.9, Abstain: 0.0, Oppose/Withhold: 13.1,

#### 17. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 10% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that a 5% limit to be sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 85.8, Abstain: 1.7, Oppose/Withhold: 12.5,

### AVON PROTECTION PLC AGM - 27-01-2023

#### 2. *Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. The CEO salary is in line with the workforce. However, the CEO's salary is in tupper quartile of the competitor group which raises concerns of potential excessiveness. The balance of CEO realized pay with financial performance is considered acceptable as the change in CEO total pay over five years is commensurate with the change in TSR over the same period. Total variable pay for the year under review was not excessive, amounting to 55.5% of salary. The ratio of CEO pay compared to average employee pay is acceptable, standing at 13:1.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 83.7, Abstain: 0.0, Oppose/Withhold: 16.3,

#### 13. *Issue Shares with Pre-emption Rights*

The authority is limited to 33% of the Company's issued share capital and expires at the next AGM. Within acceptable limits. However, it is noted that in the 2021 Annual General Meeting the resolution for issuance of shares with pre-emptive rights received significant opposition of 11.32% of the votes. The Company did not disclosed information's as to how address the issue with its shareholders. Therefore abstention is recommended.

Vote Cast: *For*

Results: For: 85.5, Abstain: 0.0, Oppose/Withhold: 14.5,

### TREATT PLC AGM - 27-01-2023

#### 2. *Approve the Remuneration Report*

All elements of the single total remuneration table are adequately disclosed. The salary of the CEO increase by 14.7% and is not in line with the workforce which

increase by 9%. However, it is noted that the CEO salary is in the lower quartile of a peer comparator group. The balance of CEO realized pay with financial performance is not considered acceptable as the change in CEO total pay over the last five years is not aligned to the change in TSR over the same period. Over the five-year period average annual increase in CEO pay has been approximately 50.16% whereas, on average, TSR has increased by 46.67%. Total variable pay for the year under review is not considered acceptable, amounting to 263.75% of salary for the CEO (Annual Bonus : 10.25% of salary - LTIP : 253.5%). The ratio of CEO pay compared to average employee pay is acceptable, standing at 10:1. The company calculates median ratio for the UK.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 86.1, Abstain: 0.0, Oppose/Withhold: 13.8,

#### 7. *Re-elect Vijay Thakrar - Chair (Non Executive)*

Newly appointed Chair. Independent upon appointment.

Vote Cast: *For*

Results: For: 83.7, Abstain: 0.0, Oppose/Withhold: 16.3,

### RESIDENTIAL SECURE INCOME PLC AGM - 31-01-2023

#### 3. *Re-elect Robert Whiteman - Chair (Non Executive)*

Independent Non-Executive Chair.

Vote Cast: *For*

Results: For: 84.7, Abstain: 1.0, Oppose/Withhold: 14.3,

### ACCENTURE PLC AGM - 01-02-2023

#### 1b. *Elect Nancy McKinstry - Non-Executive Director*

Independent Non-Executive Director. Although there are concerns over potential aggregate time commitments, this director has attended all Board and committee meetings during the year under review. The Company has not disclosed the steps taken after significant opposition (14.19%) was registered at the previous AGM to the appointment of Ms. McKinstry. On balance, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 75.6, Abstain: 0.4, Oppose/Withhold: 24.0,

#### 1i. *Elect Tracey T. Travis - Non-Executive Director*

Independent Non-Executive Director.

Vote Cast: *For*

Results: For: 87.8, Abstain: 0.1, Oppose/Withhold: 12.1,

### SIEMENS ENERGY AG AGM - 07-02-2023

#### 12. *Authorise Share Repurchase Program and Reissuance or Cancellation of Repurchased Shares*

It is proposed to authorise the Board to purchase Company's shares until February 6, 2028. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 72.9, Abstain: 0.0, Oppose/Withhold: 27.1,

### FUTURE PLC AGM - 08-02-2023

#### 4. *Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. The CEO's salary was in the median of the comparator group. The CEO's salary did not increase during the year under review. The variable awards paid during the year under review were not considered excessive, at 176% of base salary. The ratio of CEO pay compared to average employee pay is excessive at 28:1, it is recommended that the ratio does not exceed 20:1.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 77.3, Abstain: 6.9, Oppose/Withhold: 15.8,

#### 5. *Re-elect Richard Huntingford - Chair (Non Executive)*

Independent Non-Executive Chair. The Chair is also chairing another company within the FTSE 350 index. It is considered that a chair cannot effectively represent two corporate cultures. The possibility of having to commit additional time to the role in times of crisis is ever present. Given this, a Chair should focus his attention onto the only one FTSE 350 Company.

Vote Cast: *Oppose*

Results: For: 89.0, Abstain: 0.7, Oppose/Withhold: 10.3,

#### 8. *Re-elect Mark Brooker - Non-Executive Director*

Independent Non-Executive Director.

Vote Cast: *For*

Results: For: 82.5, Abstain: 0.0, Oppose/Withhold: 17.5,

### 13. *Re-elect Angela Seymour-Jackson - Non-Executive Director*

Independent Non-Executive Director.

Vote Cast: *For*

Results: For: 81.1, Abstain: 0.0, Oppose/Withhold: 18.9,

### 20. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 10% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that a 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 89.7, Abstain: 0.0, Oppose/Withhold: 10.3,

## SIEMENS AG AGM - 09-02-2023

### 7.d. *Elect Martina Merz - Non-Executive Director*

Independent Non-Executive Director.

Vote Cast: *For*

Results: For: 88.5, Abstain: 0.0, Oppose/Withhold: 11.5,

### 8. *Amend Articles: Approve Virtual Only Shareholder Meetings Until 2025*

It is proposed to amend the articles, in order to hold shareholder meetings on a virtual basis, whereby shareholders are not required to attend the meeting in person at a physical location but may instead attend and participate using electronic means. A shareholder meeting may be virtual only if attendees participate only by way of electronic means, or may be held on a hybrid basis whereby some attendees attend in person at a physical location and others attend remotely using electronic means. Meetings are a place for debate and decision: it is considered that the use of electronic means of participation be beneficial for all shareholders. Support is recommended.

Vote Cast: *For*

Results: For: 83.3, Abstain: 0.0, Oppose/Withhold: 16.7,

## COMPASS GROUP PLC AGM - 09-02-2023

### 2. *Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. Next year's fees and salaries are clearly disclosed. Mr. Dominic Blakemore's salary reflects a 4.5% increase from the previous year. It is noted that salary increases of just under 4.8% for all executive directors which take effect from 1 January 2023 and the average increase for employees across the wider UK population is expected to be c. 8% during 2023. Variable pay for the year under review was 151.83% (Annual Bonus: 151.83% and LTIP: 0%) of the salary and is within the recommended limit of 200% However, the ratio of CEO pay compared to average employee pay is unacceptable, standing at 154:1. This is considered excessive, given that the recommended limit is 20:1.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit

pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 70.2, Abstain: 0.1, Oppose/Withhold: 29.6,

#### 15. *Re-Elect Ireena Vittal - Designated Non-Executive*

Independent Designated Non-Executive. However, the company received significant opposition (10.01 %) at AGM 2022. The company has not disclosed information as to how address the issue with its shareholders. Therefore, an abstain vote is recommended.

Vote Cast: *Abstain*

Results: For: 86.6, Abstain: 0.7, Oppose/Withhold: 12.6,

### TYSON FOODS INC AGM - 09-02-2023

#### 1b. *Elect Les R. Baledge - Non-Executive Director*

Chair of the Nominating and Corporate Governance Committee. Not considered independent as the director was previously employed by the Company as Executive Vice President. There is insufficient independent representation on the Board. As the Chair of the Nominating and Corporate Governance Committee is considered to be accountable for the Company's sustainability programme, and given the concerns over the Company's sustainability policies and practice, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 89.5, Abstain: 0.0, Oppose/Withhold: 10.4,

#### 4. *Approve the Frequency of Future Advisory Votes on Executive Compensation*

The Company is providing shareholders with an advisory vote on whether the advisory vote on executive compensation should be held every one, two or three years. The Board is required by Section 951 of The Dodd-Frank Wall Street Reform and Consumer Protection Act to offer this vote on the frequency of a say-on-pay proposal not less than every six years, although they have the option to offer this proposal more often.

The Board of Directors recommends an annual vote. It is considered that an annual vote on executive compensation is best practice for companies. Executive compensation comprises both fixed and variable pay elements, with the variable including share based incentive awards and cash bonuses over which the compensation committee have discretion. Decisions affecting the quantum and design of variable pay are made annually by the committee and it is therefore appropriate that shareholder approval is sought at the maximum frequency permitted by the new legislation. Contentious compensation payments and issues could occur in the intervening years between votes, if the frequency is less than annually. A one year frequency is therefore recommended.

Vote Cast: *1*

Results: For: 21.4, Abstain: 0.1, Oppose/Withhold: 78.6,

#### 6. *Shareholder Resolution: Comply with Expert Guidelines on Antimicrobial Use*

**Proponent's argument:** shareholders asked that the board of directors institute a policy that the Company comply with World Health Organization (WHO) Guidelines on Use of Medically Important Antimicrobials in Food-Producing Animals throughout Tyson's supply chains. "While Tyson prohibits antibiotic use in its chickens and



markets some beef and pork as raised without antibiotics, the Company does not limit how antibiotics may be used in cattle and swine for much of its beef and pork, beyond legal compliance. Antibiotics overuse is known to exacerbate antimicrobial resistance (AMR), which the WHO describes as 'one of the top 10 global public health threats facing humanity.' [...]While Tyson has made laudable progress in eliminating antibiotics use in its chickens, its cattle and swine policies deviate from the WHO Guidelines, which recommend that "farmers and the food industry stop using antibiotics routinely to promote growth and prevent disease in healthy animals" and provide evidence-based recommendations and best practices. Moreover, despite Tyson's chicken policies, a recent investigation found Tyson-along with other poultry giants-sold numerous meat products between 2015 and 2020 that were contaminated with campylobacter and salmonella, more than half of which were antibiotic-resistant strains. But for diversified investors, the portfolio-wide costs associated with AMR are paramount. Tyson's decision not to prioritize broad AMR risks does not account for its diversified owners' interests in optimizing public health, the economy, and their long-term portfolio returns".

**Company's response:** The board recommended a vote against this proposal. "The guidelines issued by the WHO and those issued by the World Organization for Animal Health (WOAH) or the American Veterinary Medical Association (AVMA) do not contain a blanket recommendation against the use of antibiotics in chicken, cattle or swine-or in animals generally-and none of the foregoing guidelines suggest that antibiotics should not be used in animals at all. Rather, by adhering to guidelines for responsible use of antibiotics issued by the WHO, WOAH and the AVMA, farmers, ranchers, and producers, under the direction of veterinarians, may use shared-class medically important antibiotics. We believe that antibiotics should be used based on the best available veterinary medical evidence in an ethical and legal manner, and our goal is to improve antibiotic stewardship, including to reduce the need to use antibiotics-thus decreasing the potential for the development of AMR in animals and their environment. Untreated animal disease has a negative impact on natural resource utilization within animal populations which drives greater environmental impact (greater greenhouse gas emissions, land use and water intensity). In addition, animal disease may contribute to reduced accessibility to safe, affordable food. As antibiotics are important tools for veterinarians to maintain animal health, these broader impacts of withholding treatment must also be considered when approaching antibiotic use decisions in animals and humans. We are committed to improving the health of humans, animals and the ecosystem".

**PIRC analysis:** The requested report will provide shareholders with information on the company's efforts in relation to understanding and mitigating the public health costs deriving from the company's business and namely antimicrobial resistance (AMR). This resolution will also allow to link the growing experiences of resistance to antibiotics by pathogen with financial outcomes for its customers and indirectly with the health system. Misuse and overuse of antimicrobials in the past have been the main drivers in the development of drug-resistant pathogens. A 2014 report from the World Health Organization (WHO) on surveillance of AMR showed the presence of large gaps in the existing surveillance. In 2021, the WHO also classified AMR as one of the top 10 global public health threats facing humanity and called for urgent multisectoral action in order to achieve the Sustainable Development Goals (SDGs). Health concerns should not be considered privately (i.e. only related to individuals or to a group of individuals). Looking forward to a stakeholder-wide approach, it is considered appropriate that the company reports on the consequences of its products for its customers and public health overall, and that disclosure is upheld accordingly. This would enable investors to assess the company's exposure to this reputational risk. The request for a report and the data therein are considered reasonable and a vote for the resolution is recommended.

Vote Cast: *For*

Results: For: 4.6, Abstain: 0.1, Oppose/Withhold: 95.3,

## TRITAX EUROBOX PLC AGM - 09-02-2023

### *2. Approve the Remuneration Report*

Shareholders are being asked to approve the Company's annual report on remuneration. Disclosure of figures and policy is adequate. The aggregate limit set in relation to Directors' remuneration was not exceeded during the year. Directors' remuneration does not comprise any performance-related element, which is welcomed. It is further noted that no additional discretionary payments were made in the year. There was an increase in individual fees for the Board Directors during the year under review. The increase was approximately 9% which is within the limit of 10% annual increase. Overall, the remuneration practices and the level of fees paid to the Board are considered acceptable.

Vote Cast: *For*

Results: For: 88.1, Abstain: 0.0, Oppose/Withhold: 11.8,

**4. Re-elect Robert Orr - Chair (Non Executive)**

Independent Non-Executive Chair.

Vote Cast: *For*

Results: For: 84.7, Abstain: 0.0, Oppose/Withhold: 15.3,

**6. Re-elect Keith Mansfield - Non-Executive Director**

Independent Non-Executive Director.

Vote Cast: *For*

Results: For: 89.7, Abstain: 0.0, Oppose/Withhold: 10.3,

**8. Elect Sarah Whitney - Senior Independent Director**

Newly appointed Senior Independent Director. Considered independent.

Vote Cast: *For*

Results: For: 89.7, Abstain: 0.0, Oppose/Withhold: 10.3,

**EASYJET PLC AGM - 09-02-2023**

**2. Approve the Remuneration Report**

All elements of the Single Total Remuneration Table are adequately disclosed. CEO salary remain unchanged for the year under review and in line with the workforce. However, the CEO salary is in the upper quartile of the competitor group which raises concerns for potential excessiveness. Variable pay for the year under review was approximately 162.3% of the salary (Annual Bonus: 162.3%, RSP: 0%) and is considered adequate since is lower than 200%. The ratio of the CEO pay compared to average employee pay is not acceptable at 37:1. PIRC consider acceptable a ratio up to 20:1.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 76.8, Abstain: 4.7, Oppose/Withhold: 18.5,

**15. Issue Shares with Pre-emption Rights**

The authority is limited to 33% of the Company's issued share capital and expires at the next AGM. Within acceptable limits.

Vote Cast: *For*

Results: For: 78.1, Abstain: 8.0, Oppose/Withhold: 13.9,

#### 16. *Issue Shares for Cash*

The authority sought exceeds the recommended 5% maximum of the Company's issued share capital and expires at the next AGM. An oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 82.9, Abstain: 0.1, Oppose/Withhold: 16.9,

#### 17. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 10% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 80.0, Abstain: 0.1, Oppose/Withhold: 19.9,

### **VICTREX PLC AGM - 10-02-2023**

#### 6. *Re-Elect Vivienne Cox - Chair (Non Executive)*

Non-Executive Chair and chair of the nomination committee.

At this time, the report of the progresses made on the recommendations of the Parker report (2016), which seeks to improve the ethnic and cultural diversity of UK boards, is not considered to be sufficient. As chair of the nomination committee, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 87.4, Abstain: 0.6, Oppose/Withhold: 12.0,

### **SSP GROUP PLC AGM - 16-02-2023**

#### 14. *Issue Shares with Pre-emption Rights*

The authority is limited to 33% of the Company's issued share capital and expires at the next AGM. Within acceptable limits.

Vote Cast: *For*

Results: For: 83.2, Abstain: 0.0, Oppose/Withhold: 16.8,

#### 18. *Meeting Notification-related Proposal*

It is proposed that a general meeting of the Company other than an annual general meeting may be called on not less than 14 clear days' notice.

It is considered that all companies should aim to provide at least 20 working days notice for general meetings in order to give shareholders sufficient time to consider what are often complex issues. However, as the proposed change is permissible by the Companies Act, support is recommended.

Vote Cast: *For*

Results: For: 82.9, Abstain: 0.0, Oppose/Withhold: 17.1,

## FORESIGHT SUSTAINABLE FORESTRY AGM - 23-02-2023

### 1. *Receive the Annual Report*

The company have disclosed a voting policy indicating how they vote on issues relating to investment and investee companies. In addition, it is noted ESG matters are taken into account in investment decisions which is considered appropriate. Regarding the lack of vote on the final dividend or dividend policy, it is seen as a derogation of shareholder's rights. It is appreciated that quarterly dividends may be more favourable to shareholders and be what was agreed in the prospectus, however, shareholders should be provided an opportunity to ratify this approach annually through a vote on the dividend policy. This in turn gives the company a mandate to take that particular approach. Such an annual vote on the policy is not considered as overly burdensome and is a useful way for the company to receive feedback on the chosen approach. In addition, it is noted the investment management and company's secretarial functions are performed by the same entity. Administration and company secretarial duties are undertaken by the Investment Manager of the company. Independence from the management company is considered a key governance issue affecting investment trusts. The interests of the fund manager are considered to be in conflict with those of shareholders and the company due to the impact of management fees. Overall, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 88.3, Abstain: 0.0, Oppose/Withhold: 11.7,

### 8. *Appoint Ernst & Young LLP as auditor to the Company*

EY proposed. No non-audit fees were paid to the auditors. This approach is commended.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

Vote Cast: *Oppose*

Results: For: 89.7, Abstain: 0.0, Oppose/Withhold: 10.3,

### 11. *Issue Shares for Cash*

Authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. A closed-ended investment fund may not issue further shares of the same class as existing shares (including issues of treasury shares) for cash at a price below the net asset value per share of those shares. On this basis, any issuance would not disadvantage current shareholders. A vote in favour is recommended.

Vote Cast: *For*

Results: For: 89.2, Abstain: 0.0, Oppose/Withhold: 10.8,

## NOVARTIS AG AGM - 07-03-2023

### [6.1. Amend Articles Introduction of Article 12a of the Articles of Incorporation](#)

It is proposed to amend the articles, in order to hold shareholder meetings on a virtual basis, whereby shareholders are not required to attend the meeting in person at a physical location but may instead attend and participate using electronic means. A shareholder meeting may be virtual only if attendees participate only by way of electronic means, or may be held on a hybrid basis whereby some attendees attend in person at a physical location and others attend remotely using electronic means. Meetings are a place for debate and decision: it is considered that the use of electronic means of participation be beneficial for all shareholders. Additionally, it is proposed to include a provision in the Articles permitting the use of electronic absentee ballots for the vote at general meetings. The use of electronic means of voting is considered to be beneficial for all shareholders. Support is recommended.

Vote Cast: *For*

Results: For: 85.0, Abstain: 1.4, Oppose/Withhold: 13.6,

### [7.3. Approve the Remuneration Report](#)

It is proposed to approve the annual report on remuneration of Executive and Non-Executive directors with an advisory vote. There are excessiveness concerns as the total variable remuneration exceeded 200% of the salary for the highest paid director. The Company has fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, opposition is recommended based on excessive remuneration.

Vote Cast: *Oppose*

Results: For: 80.6, Abstain: 8.0, Oppose/Withhold: 11.4,

## QUALCOMM INCORPORATED AGM - 08-03-2023

### [3. Approve New Long Term Incentive Plan](#)

The Board proposes the approval of a new long-term incentive plan. Under the plan, the CEO and other executives will be awarded rights to shares, a portion (or all) of which will vest depending on the achievement of some performance criteria. Vesting period is three years and as such is considered to be short-term, while performance targets have not been fully disclosed in a quantified manner at this time.

LTIP schemes are not considered an effective means of incentivising performance and are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the company. They are acting as a complex and opaque hedge against absolute company underperformance and long-term share price falls. They are also a significant factor in reward for failure.

Vote Cast: *Oppose*

Results: For: 88.6, Abstain: 0.4, Oppose/Withhold: 11.0,

## APPLIED MATERIALS INC AGM - 09-03-2023

### [5. Shareholder Resolution: Right to Call Special Meetings](#)

**Proponent's argument:** Kenneth Steiner asked the board to take the steps necessary to amend the appropriate company governing documents to give the owners of

a combined 10% of the outstanding common stock the power to call a special shareholder meeting. "Since Applied Materials management will not give its shareholders a genuine right to act by written consent we need the right for 10% of shares to be able to call a special shareholder meeting. Applied Materials shareholders gave 49% support to a shareholder proposal to give shareholders the right to act by written consent. This 49% support represented clear majority support from the shares that have access to independent proxy voting advice. In response to this majority support management gave us a useless right to act by written consent. This was under the "leadership" of Ms. Judy Bruner, who chaired the Governance Committee. In response to this majority vote from the shares that have access to independent proxy voting advice, under Ms. Bruner we got a form of written consent that is so difficult to use that a group of shareholders, who see an urgent need to have a vote on an important item between annual meetings, would automatically choose to call for a special shareholder meeting because it is less difficult than attempting to act by written consent. Thus to make up for our lack of a real right to act by written consent we need the right of 10% of shares to call for a special shareholder meeting. A more reasonable stock ownership threshold to call for a special shareholder meeting to elect a new director could give our directors a greater incentive to improve their performance."

**Company's response:** The board recommended a vote against this proposal. "Our Bylaws currently permit the shareholders of 20% of the outstanding shares of common stock of the Company to call special meetings. The Board believes that our current 20% ownership threshold, which was adopted in response to feedback from our shareholders, strikes the appropriate balance between providing shareholders with the ability to call a special meeting while protecting the Company against the risk that a relatively small number of shareholders, including those with special interests, could call special meetings to pursue matters that may not reflect the interests of the Company and a broader group of shareholders, with the resulting expense and disruption to our business. [...]The Company's current 20% ownership threshold continues to be lower than that of many other companies. As of November 2022, of the U.S. companies in the S&P 500 that permit their shareholders to call special meetings, a majority set the ownership threshold at or above 25%. Moreover, as of 2022, the current 20% ownership threshold is the same as, or more favorable to shareholders than, the special meeting rights at approximately 65.5% of the 486 S&P 500 companies surveyed by FactSet and that have also implemented a special meeting right. In addition, of our fiscal 2022 peer group companies that are incorporated in Delaware, over 75% either have not implemented the right to call a special meeting at all, or have done so at or above a 20% ownership threshold. "

**PIRC analysis:** The right to call a special shareholder meeting provides shareholders with a way of communicating with the Board and debating and voting on issues with the rest of shareholders which in itself enhances shareholders' rights. The 10% threshold recommended by the Proponent is considered acceptable. Support is recommended.

Vote Cast: *For*

Results: For: 50.3, Abstain: 0.2, Oppose/Withhold: 49.5,

#### 6. *Shareholder Resolution: Improve Executive Compensation Program and Policy*

**Proponent's argument:** Jing Zhao recommended that Applied Materials, Inc. improve the executive compensation program and policy to include the CEO pay ratio factor. "The Company's board opposed to improve the executive compensation program and policy at our 2022 shareholders meeting and increased the CEO pay from \$17,294,987 to \$35,265,559 thus increased the CEO pay ratio from 204 to 1 to 323 to 1. America's ballooning executive compensation is not sustainable for the economy, and there is no rational methodology or program to decide the executive compensation, particularly because there is no consideration of the CEO pay ratio factor, and there is no employee representation on board. The CEO pay ratios of big Japanese and European companies are much less than of big American companies. Shareholders in JPMorgan Chase & Co., Intel, and other big companies voted in 2022 against their companies' compensation for their top executives. It is for Applied Materials shareholders to change the Company's executive compensation program and policy now. The Company has the flexibility to reform the Human Resource and Compensation Committee to improve the executive compensation program and policy, such as to include the CEO pay ratio factor."

**Company's response:** The board recommended a vote against this proposal. "The principal objectives of the Company's executive compensation program continue to be: to attract, reward, and retain highly-talented executive officers and other key employees; to motivate these individuals to achieve short-term and long-term goals that enhance shareholder value; and to support our core values and culture. As a reference point for evaluating our compensation program, the HRCC regularly reviews compensation practices within our peer group. See "Compensation Discussion and Analysis – Compensation Governance and Decision-Making Framework – Fiscal 2022 Peer Group." On an annual basis, the HRCC also reviews the Company's CEO pay ratio and changes in the ratio from year to year, as well as the ratios

of peer companies and the S&P 500 Index average. Although SEC rules require disclosure of the ratio of annual CEO compensation to the annual compensation of a median employee, the HRCC does not believe that the pay ratio should more directly guide our compensation principles or that our executive compensation program should be changed as described in this proposal."

**PIRC analysis:** The disclosure of the pay ratio between the pay of the CEO or the NEOs and that of the median employee, is mandatory in the US under SEC rules (and applies to US-listed companies such as this) and in several other major Western economies and is considered not only to be best practice but also to provide useful information to shareholders to help guide their approval or disapproval of the executive compensation programmes at a company. Several companies have disclosed the figure voluntarily without any damage to their ability to recruit and incentivise senior level employees. Support for the resolution is recommended.

Vote Cast: *For*

Results: For: 9.6, Abstain: 0.9, Oppose/Withhold: 89.5,

## APPLE INC AGM - 10-03-2023

### 3. *Advisory Vote on Executive Compensation*

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: ADC. Based on this rating, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 88.4, Abstain: 0.8, Oppose/Withhold: 10.8,

### 5. *Shareholder Resolution: Civil Rights and Non-Discrimination Audit Proposal*

**Proponent's argument:** National Center for Public Policy Research requested that the Board of Directors commission an audit analyzing the Company's impacts on civil rights and non-discrimination, and the impacts of those issues on the Company's business. The audit may, in the Board's discretion, be conducted by an independent and unbiased third party with input from civil rights organizations, public-interest litigation groups, employees and other stakeholders – of a wide spectrum of viewpoints and perspectives. "Many companies have been found to be sponsoring and promoting overtly and implicitly discriminatory employee-training and other employment and advancement programs, including Bank of America, American Express, Verizon, Pfizer, CVS and Apple itself. This disagreement and controversy create massive reputational, legal and financial risk. If the Company is, in the name of equity, diversity and inclusion, committing illegal or unconscionable discrimination against employees deemed "non-diverse," then the Company will suffer in myriad ways - all of them both unforgivable and avoidable. In developing the audit and report, the Company should consult civil-rights and public-interest law groups - but it must not compound error with bias by relying only on left-leaning organizations. Rather, it must consult groups across the spectrum of viewpoints. This includes right-leaning civil-rights groups representing people of color, such as the Woodson Center and Project 21, and groups that defend the rights and liberties of all Americans, not merely the ones that many companies label "diverse." All Americans have civil rights; to behave otherwise is to invite disaster. Similarly, when including employees in its audit, the Company must allow employees to speak freely without fear of reprisal or disfavor, and in confidential ways. Too many employers have established company stances that themselves chill contributions from employees who disagree with the company's asserted positions, and then have pretended that the employees who have been empowered by the companies' partisan positioning represent the true and only voice of all employees. This by itself creates a deeply hostile workplace for some groups of employees, and is both immoral and likely illegal."

**Company's response:** The board recommended a vote against this proposal. "Apple's Civil Rights Audit is currently underway. We have engaged a team from Covington & Burling LLP, led by former U.S. Attorney General Eric Holder, to conduct the audit, which will examine civil rights impacts related to our business in the areas of our people, our products and services, customer connections, and communities. The Covington team is assessing the Company's policies, controls, and initiatives in these areas, and we expect to publish a report regarding their assessment in 2023. Undertaking a second civil rights audit would be redundant and unnecessary.[...] At Apple, we're building on our long-standing commitment to make our Company more inclusive and diverse and to promote equitable pay

for all employees. We're supporting underrepresented communities with initiatives that combat inequity, expand access to opportunity, and foster belonging through community. As a sign of our commitment, Apple is a founding signatory to the ACT Report: Action to Catalyze Tech, A Paradigm Shift for DEI (Diversity, Equity, and Inclusion),(2) which provides tech companies and leaders a rigorous framework of action. As a signatory, Apple has already committed to (1) reviewing existing diversity, equity, and inclusion practices and gaps, and identifying relevant actions to operationalize diversity, equity, and inclusion throughout the Company; (2) sharing diversity, equity, and inclusion data, metrics, and goals; and (3) advocating for policies that create pathways into tech for underrepresented communities and increase access to capital for diverse entrepreneurs."

**PIRC analysis:** The potential benefits of staff diversity lie in widening the perspectives on human resources brought to bear on decision-making, avoiding too great a similarity of attitude and helping companies understand their workforces as a kaleidoscope of customers, marketplace, supply chain and society as a whole. Disclosure surrounding the company's staff composition allows shareholders to consider diversity in the context of the long-term interests of the company, including the ability to attract and retain key talent. Disclosure of a policy to improve diversity and goals that have been set to meet this policy also reassures shareholders that a diverse board is not just an aspiration but a goal. However, this resolution appears to be filed by a right-wing policy think tanks as a spoiler resolution to prevent other shareholders from filing resolutions regarding the company's diversity and focuses on ideological diversity with the clear intent to ensure that conservative views are represented on the board as well as so-called liberal perspectives. Given the diversity that already exists on company's staff, a vote against the resolution is recommended.

Vote Cast: *Oppose*

Results: For: 1.4, Abstain: 1.1, Oppose/Withhold: 97.5,

#### 6. *Shareholder Resolution: Communist China Audit*

**Proponent's argument:** National Legal and Policy Center requested that, beginning in 2023, Apple Inc. report annually to shareholders on the nature and extent to which corporate operations depend on, and are vulnerable to, Communist China, which is a serial human rights violator, a geopolitical threat, and an adversary to the United States. The report should exclude confidential business information but provide shareholders with a sense of the Company's reliance on activities conducted within, and under control of, the Communist Chinese government. "American companies doing business in China is a controversial public policy issue, according to an April 2, 2021 CNN report titled, "Doing business in China is difficult. A clash over human rights is making it harder." Apple does business in – and relies on materials, parts, labor and/or services from – entities in China. China is a serial violator of human and political rights. China is also hostile to the U.S. for a variety of reasons, including: – China intends to displace the U.S. as the lone global superpower by 2049; – The U.S. has committed to defend Taiwan, which China has asserted is part of its country and may attempt to seize by force; – U.S.-China relations are tense over a number of issues including China's military expansion; egregious human rights violations; actions related to the COVID pandemic; intellectual property theft; relentless espionage; elimination of freedom in Hong Kong; and environmental pollution. China has also indicated that it would use its industrial capabilities for strategic purposes against adversaries."

**Company's response:** The board recommended a vote against this proposal. "The Company has a large, global business with sales outside the U.S. representing a majority of the Company's total net sales, and the Company believes that it generally benefits from growth in international trade. Substantially all of the Company's manufacturing is performed in whole or in part by outsourcing partners located primarily in Asia, including China mainland, India, Japan, South Korea, Taiwan and Vietnam. Trade policies and disputes and other international conflicts can result in tariffs, sanctions and other measures that restrict international trade, and can materially adversely affect the Company's business, particularly if these measures occur in regions where the Company derives a significant portion of its revenues and/or has significant supply chain operations. For example, tensions between the U.S. and China have led to a series of tariffs being imposed by the U.S. on imports from China mainland, as well as other business restrictions. In addition to these required disclosures, we also voluntarily provide information relating to our international operations, including in China. For example, Apple provides a publicly available list of our suppliers by country and region, including China, on our Supplier Responsibility website, which we work to update annually. And we voluntarily publish a bi-annual Privacy Transparency Report that discloses information regarding government requests for customer information and to remove content, including requests from government authorities in China. [...]We are committed to leaving the world better than we found it, and that starts with treating the people making our products with dignity and respect. Our Supplier Code of Conduct and Supplier Responsibility Standards and our Human Rights Policy outline our requirements for suppliers in the areas of labor and human rights, health and safety, environment, management systems, and ethics."



**PIRC analysis:** The requested disclosure on the involvement with businesses in China as a human rights violator appears to be a spoiler resolution to prevent other shareholders from filing resolutions regarding the company's involvement on human rights controversial activities globally and focuses on geopolitical threats with the clear intent to ensure that conservative views on international relations be represented within the company's global activities, as opposed to promoting transparency and accountability around the potential benefits of global operations conducted fairly, and requesting transparency over the financial impact from non-traditionally financial issues to avoid any suspicion and any damage that may cause to the company's reputation. A report on the human rights impact of the company's operations that may be potentially complicit in China's human rights abuses would be in shareholders' interests, but such a proposal does not seem to be in the interest of the proponent. Rather, this proposal appears to use human rights as an argument to ask the company to withdraw from doing business with China, in a view that considered it to be a geopolitical threat to the US and without actual interest in human rights in that country.

Vote Cast: *Oppose*

Results: For: 4.3, Abstain: 1.5, Oppose/Withhold: 94.2,

### 7. Shareholder Resolution: Board Policy

**Proponent's argument:** Nia Impact Capital urged the Board to adopt a policy that, should holders of a majority of non-insider shares voted support a shareholder proposal (calculated by dividing (i) "For" votes by (ii) the sum of votes cast "For" and "Against", minus the shares held by current executive officers and Board members as reported in the proxy statement), a Board member or members, identified by the Nominating Committee Chair, will be made available for a discussion with the proposal's proponents within three months of Apple filing its Report on Form 8-K containing the voting results. "Apple's Corporate Governance Guidelines state that the Board of Directors oversees the CEO and senior management and "seeks to ensure that the long-term interests of shareholders are being served." The Guidelines also state that "The Board believes that management speaks for the Corporation" and that it is only in "unusual circumstances" that individual directors will to be authorized to speak with investors or other stakeholders. If Apple's Board members are restricted in when they speak with stakeholders, this may undermine the Board's ability to, per the Corporate Governance Guidelines, proactively "ensure that the Corporation is committed to business success through the maintenance of high standards of responsibility and ethics." For example, in 2022, Nia Impact Capital ("Nia") submitted a resolution requesting that the Board review Apple's use of concealment clauses in the context of harassment, discrimination and other unlawful acts. The resolution received support from 50.4% of all shares voted "For" and "Against." Apple management had stated that it was "not aware" of the use of concealment clauses and that "Apple does not limit employees' and contractors' ability to speak freely about harassment, discrimination, and other unlawful acts in the workplace." However, shortly after this statement a former Apple employee went public with a severance agreement that Apple had asked her to sign which included non-disclosure and non-disparagement clauses related to workplace conditions. This discrepancy undermined Nia's confidence in management's representation of Apple's use of concealment clauses. Despite the high vote showing that other investors shared these concerns and an explicit request made by Nia and other investors for a meeting, no Board member has agreed to a meeting."

**Company's response:** The board recommended a vote against this proposal. "In practice, Apple has an active shareholder engagement program in which the Board participates. For example, in calendar year 2022, we reached out to shareholders representing over 70% of institutional shares held, and a director participated in over 50% of engaged shares. In addition, Apple proactively engages with shareholders and other stakeholders throughout the year. This engagement helps us better understand shareholder priorities and perspectives, gives us an opportunity to elaborate upon our initiatives with Apple subject matter experts, and fosters constructive dialogue with our community of shareholders. The Board and our management teams carefully consider the feedback from these meetings, as well as shareholder support and feedback at our annual meetings, when reviewing our business practices and corporate governance framework. "

**PIRC analysis:** The proposal is not overly prescriptive as it is considered that companies should engage with shareholders where a significant opposition (at least 10% of the voting capital) was voted against a management proposal, or in this case more than 10% voted in support of a shareholder proposal. The company disclosed that is already following up with the filing shareholders from the majority-voted resolutions and disclosed an aggregate number of investors engaged during the year, but it fails to discuss why engagement with proponents in this specific case would be counterproductive. On the contrary, it is considered that outliers would represent shareholders feeling better than the aggregate statistic data. Support is recommended.

Vote Cast: *For*

Results: For: 6.4, Abstain: 0.9, Oppose/Withhold: 92.7,

### 8. Shareholder Resolution: Racial and Gender Pay Gaps

**Proponent's argument:** Arjuna Capital requested Apple report on median pay gaps across race and gender, including associated policy, reputational, competitive, and operational risks, and risks related to recruiting and retaining diverse talent. The report should be prepared at reasonable cost, omitting proprietary information, litigation strategy and legal compliance information. "Actively managing pay equity is associated with improved representation, and diversity is linked to superior stock performance and return on equity. Minorities represent 56 percent of Apple's workforce, but only 43 percent of leadership. Women represent 35 percent of Apple's workforce and 31 percent of leadership. Best practice pay equity reporting consists of two parts: 1. unadjusted median pay gaps, assessing equal opportunity to high paying roles, 2. statistically adjusted gaps, assessing pay between minorities and non-minorities, men and women, performing similar roles. Apple reports only statistically adjusted gaps but ignores unadjusted gaps, which address structural bias women and minorities face regarding job opportunity and pay, particularly when men hold most higher paying jobs. Median pay gaps show, quite literally, how Apple assigns value to employees through the roles they inhabit and pay they receive. Median gap reporting also provides a digestible and comparable data point to determine progress over time."

**Company's response:** The board recommended a vote against this proposal. "Since 2017, we have achieved gender pay equity globally, as well as pay equity by race and ethnicity in the United States. In 2022, we also achieved pay equity at the intersections of gender and race and ethnicity in our U.S. workforce. These metrics are assessed by a third-party firm that evaluates compensation across all of Apple using statistical modeling. This rigorous review considers annual total compensation, including base salary, discretionary bonuses, and discretionary RSUs, as well as a variety of data related to pay, including job level, location, performance ratings, and tenure. To further promote pay equity, it is our policy not to ask candidates for compensation history, and our recruiters develop offers of employment based on the compensation of current Apple employees in similar roles. In addition, during our annual compensation planning process, our People team uses analytics to assess promotion rates, performance ratings distribution, and pay metrics for women compared to men and, in the United States, for underrepresented groups compared to non-underrepresented groups. We also seek to pay competitive wages across our global operations, and all employees are eligible for stock ownership in the Company."

**PIRC analysis:** The proponents request for the company to report its gender pay gap. The requested disclosure is considered reasonable and would underpin the Company's efforts in fostering diversity and thereby enhance its reputation and reduce the risks associated with its human capital and business. While the Company has released statistics surrounding its gender pay parity and it appears to be committed to equal opportunities, it is considered nevertheless beneficial for the company to report further, as the median gender pay gap will show how many or how few women there are in senior positions at the company. A vote for the resolution is recommended.

Vote Cast: For

Results: For: 33.3, Abstain: 1.5, Oppose/Withhold: 65.1,

### 9. Shareholder Resolution: Proxy Access

**Proponent's argument:** James McRitchie asked the board of directors to amend its "Proxy Access for Director Nominations" bylaw, and any other associated documents, to include the following changes or their equivalent for the purpose of increasing the potential number of nominees: The number of "Shareholder Nominees" eligible to appear in proxy materials shall be 20% of the directors then serving or 2, whichever is greater. "Current proxy access bylaws restrict Shareholder Nominees to 20% of directors rounded down to the nearest whole number. Apple has only nine directors. 20% of 9, rounding down to the nearest whole number is 1. Therefore, Apple allows shareholders to nominate only one director, given the current board size. [...]Apple has proxy access but is out of step with industry best practices, which allow shareholders to nominate up to 20% of the board or 2, whichever is greater. I could only identify only two other companies that limit proxy access candidates to 1 – Arch Resources (previously Arch Coal) and EOG Resources (formerly Enron Oil & Gas Company). Should these distinct outliers really be our peer group? Are these laggards really "mainstream" companies Apple should emulate? Apple should be better."

**Company's response:** The board recommended a vote against this proposal. " After careful consideration of the varying viewpoints offered by many of our shareholders, the Board amended Apple's bylaws to adopt proxy access in 2015 and has since revised these provisions to reflect best practices and the preferences of our shareholders. The bylaws permit a shareholder, or a group of up to 20 shareholders, owning at least 3% of Apple's outstanding shares of common stock

continuously for at least three years, to nominate and include in Apple's annual proxy materials director nominees constituting up to 20% of the Board, subject to the requirements specified in our bylaws. Our proxy access bylaws are tailored to Apple's specific governance needs and the size of the Board, and we believe they strike the appropriate balance by both promoting shareholder rights and protecting the interests of shareholders as a whole. Given the size of Apple's Board, this proposal could result in Apple facing a disproportionate slate of proxy access nominees and encouraging the pursuit of special interests at the expense of a holistic, long-term strategic view."

**PIRC analysis:** The move, which would strengthen shareholder democracy is supported; and it is considered that the proposal would help to increase independent representation on the Board. The requested threshold for holding requirement for nominators is considered sufficient. Furthermore, the nomination of new Board members would facilitate greater independence in the oversight of the Company. Support is therefore recommended.

Vote Cast: *For*

Results: For: 30.7, Abstain: 0.9, Oppose/Withhold: 68.4,

### CARLSBERG AS AGM - 13-03-2023

#### 5.d. *Shareholder Resolution: Publish Annual Report on Human Rights and Labour Rights Risk*

**Proponent's argument:** Shareholders AkademikerPension and LD Fonde have proposed that the Board shall report on: 1) the company's efforts to respect human rights and labour rights in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs), and 2) Which, if any, human rights related financial risks the company has identified, and how it seeks to address these. The reported information shall be updated and published at least once a year at reasonable cost, omitting proprietary information. The reported information shall be made public before the Annual General Meeting notice starting in 2024 and may be included in the current reporting suite.

**Company's response:** The board recommended a vote against this proposal. "Carlsberg and the Supervisory Board share the position behind the proposal and support the drive towards increased transparency in companies' reporting on compliance with human rights and labour rights in accordance with the UN Guiding Principles on Business and Human Rights (UNGP). However, as Carlsberg already fulfils or, by next year at the latest, will fulfil the actions proposed by AkademikerPension and LD Fonde, the Supervisory Board does not support the proposal. Regulation in this area is rapidly developing towards more extensive obligations for companies, and the Supervisory Board finds it inadvisable for Carlsberg to undertake specific reporting requirements requested by individual shareholders in areas which are also subject to regulation."

**PIRC analysis:** Risks related to human rights and labour rights across operations and supply chain can have significant reputational and financial consequences for a company and it is in the best interests of shareholders to be informed of the Company's exposure to and management of such risks. While the company indicates that it is committed to respecting human rights and has already fulfilled or will fulfil the actions included in the proposal, it fails to make a case as of why this proposal be counter-productive. Overall, it does not seem that the company performed an actual due diligence that will allow disclosing to shareholders a data-based picture of its exposure and corresponding measures of prevention, mitigation and remediation, which in turn would be essential, in order to uphold company's policies on human rights and human rights, as well as minimize corresponding risks. As such, a vote for the resolution is recommended.

Vote Cast: *For*

Results: For: 2.8, Abstain: 1.1, Oppose/Withhold: 96.2,

### CHEMRING GROUP PLC AGM - 15-03-2023

#### 4. *Re-elect Carl-Peter Forster - Chair (Non Executive)*

Non-Executive Chair of the Board. As the Company do not have a Board level Sustainability Committee, the Chair of the Board is considered accountable for the

Company's sustainability programme. As the Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability an abstain vote is recommended.

Vote Cast: *Abstain*

Results: For: 87.3, Abstain: 0.8, Oppose/Withhold: 11.9,

10. *Re-elect Fiona MacAulay - Non-Executive Director*  
Independent Non-Executive Director.

Vote Cast: *For*

Results: For: 81.0, Abstain: 0.0, Oppose/Withhold: 19.0,

## **SAFESTORE HOLDINGS PLC AGM - 15-03-2023**

### *2. Approve the Remuneration Report*

All elements of the single total Remuneration have been adequately disclosed. The CEO salary increase by 3% and is in line with the workforce which its salary increase by 6.9%. The CEO salary is in the lower quartile of the competitor group. Total variable pay for the year under review was 1763.3% of the salary (Annual Bonus: 152.2% & LTIP: 1611.1%) and is excessive. The ratio of CEO pay compared to average employee pay stands at 33:1, which is not acceptable. PIRC consider appropriate a ratio of 20:1

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 74.5, Abstain: 0.2, Oppose/Withhold: 25.3,

7. *Re-elect David Hearn - Chair (Non Executive)*  
Independent Non-Executive Chair.

Vote Cast: *For*

Results: For: 88.5, Abstain: 0.0, Oppose/Withhold: 11.4,

### *15. Issue Shares with Pre-emption Rights*

The authority is limited to 33% of the Company's issued share capital and expires at the next AGM. Within acceptable limits. However, it is noted that in 2022 Annual General Meeting the proposed resolution received significant opposition of 14.25% of the votes and the Company did not disclosed information's as to how address the issue with its shareholders. Therefore abstention is recommended.

Vote Cast: *Abstain*

Results: For: 89.1, Abstain: 0.3, Oppose/Withhold: 10.6,

## ABB LTD AGM - 23-03-2023

### 3. Discharge the Board

Standard proposal. No serious governance concerns have been identified. Support is recommended.

Vote Cast: *For*

Results: For: 66.1, Abstain: 0.9, Oppose/Withhold: 33.0,

### 5.4. Amend Articles: Virtual General Meeting of Shareholders

It is proposed to amend the articles, in order to hold shareholder meetings on a virtual basis, in line with the new Swiss corporate law, whereby shareholders are not required to attend the meeting in person at a physical location but may instead attend and participate using electronic means. A shareholder meeting may be virtual only if attendees participate only by way of electronic means, or may be held on a hybrid basis whereby some attendees attend in person at a physical location and others attend remotely using electronic means. Meetings are a place for debate and decision: it is considered that the use of electronic means of participation be beneficial for all shareholders. Support is recommended.

Vote Cast: *For*

Results: For: 76.6, Abstain: 1.5, Oppose/Withhold: 21.9,

## STARBUCKS CORPORATION AGM - 23-03-2023

### 1e. Elect Jørgen Vig Knudstorp - Non-Executive Director

Independent Non-Executive Director. Chair of the Nominating Committee. As the Chair of the Nominating Committee is considered to be accountable for the Company's sustainability programme, and given that the Company's sustainability policies and practice are not considered to be adequate in order to minimize material risks linked to sustainability, an abstain vote is recommended.

Vote Cast: *Abstain*

Results: For: 84.2, Abstain: 0.2, Oppose/Withhold: 15.5,

### 2. Advisory Vote on Executive Compensation

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: ADA. Based on this rating, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 84.9, Abstain: 0.6, Oppose/Withhold: 14.6,

### 5. Shareholder Resolution: Report on Plant-Based Milk Pricing

**Proponent's argument:** Shareholders urged to commission a report examining any costs to Starbucks' reputation and any impact on its projected sales incurred as a result of its ongoing upcharge on plant-based milk. The report should address the risks and opportunities presented by the shift in public opinion regarding dairy vs. nondairy options, including, but not limited to, the aforementioned issues. " Research shows that 82% of people who consume plant-based milk do so because they prefer the taste. While many people prefer nondairy milk over cow's milk, other individuals can't tolerate cow's milk at all: 95% of Asian, 80 to 100% of Native American, 60 to 80% of Black, and 50 to 80% of Latinx populations suffer from lactose intolerance. Nonwhites currently comprise nearly 40% of the U.S. population, and that segment is growing, which means that increasing numbers of Americans may hesitate to visit Starbucks or order drinks that include milk because of our

current upcharge on nondairy milk. Approximately 56% of surveyed individuals who choose nondairy milk do so because of environmental concerns. Starbucks has publicly disclosed that dairy milk is the biggest contributor to our company's carbon footprint and the second-highest contributor to water usage. Cattle, including dairy cows, account for roughly 40% of all greenhouse gas emissions from agriculture; plant-based milks produce less than one-third of CO2 emissions. It takes 144 gallons of water to produce just 1 gallon of dairy milk; nondairy milks require up to 90% less water."

**Company's response:** The board recommended a vote against this proposal. "Customers can customize any beverage on the menu with a variety of plant-based milk options, including soymilk, coconut milk, almond milk, and oat milk. As with other beverage customizations, the price for plant-based milk customization varies by market and depends on a mix of considerations. In some geographies, market conditions allow us to price plant-based milk more closely to dairy milk than in others. For instance, there is currently no additional charge for customizing beverages with plant-based milk in our Company-operated markets in the United Kingdom or Japan or licensed markets in France, Belgium, the Netherlands, or Luxembourg. Even in the United States, adding a splash of any plant-based milk to Brewed Coffee, Iced Coffee, Cold Brew, and Americano beverages is offered to our customers free of charge. "

**PIRC analysis:** As of 2022, it was reported that on the US market, dairy milk would sell for around USD 3 to 4 cents per ounce, compared to plant-based milks, which typically retailed for USD 10 to 15 cents. Research has shown that there are processing or preservation challenges from plant-based alternatives, and it is expectable that the increased demand led to increased prices. However, the company does not appear to clarify the proponents' issues or bring a case as of why such report would be counter-productive. The resolution is not unduly prescriptive and it is considered beneficial for management and shareholders to look at company data allowing to act on potential flaws within the company's pricing strategy for non-milk alternatives.

Vote Cast: *For*

Results: For: 5.3, Abstain: 0.9, Oppose/Withhold: 93.8,

#### 6. *Shareholder Resolution: CEO Succession Planning Policy Amendment*

**Proponent's argument:** Shareholders request the Starbucks Board of Directors (the "Board") initiate the appropriate process to amend the Corporate Governance Principles and Practices for the Board of Directors to expand upon the CEO succession planning policy to include the following components: •development and annual evaluation of position qualifications to reflect Starbucks business strategy; •procedures to identify and develop internal candidates; •a formal assessment process to annually evaluate the progress of internal candidates; •requirements that succession planning begin at least three years before an expected transition and emergency succession planning is ongoing; and •standards and metrics to annual evaluate the performance of the succession planning process. "In April 2022, former CEO Kevin Johnson retired and Howard Schultz returned as Interim CEO while the Board searched for a permanent replacement. In explaining Starbucks' external search, Schultz told a reporter, "For the future of the company, we need a domain of experience and expertise in a number of disciplines that we don't have now."<sup>1</sup> While there may be circumstances where an external candidate is the best choice, not having any viable internal candidates is evidence of the Board's weak succession planning. Reportedly, the Board was notified of Johnson's pending retirement at least one year in advance. Poor succession planning resulted in Starbucks losing a critical component of a smooth transition: business continuity. [...] An effective succession planning process includes the regular evaluation of skills and competencies needed in a successor, identification of promising internal candidates, and a talent development strategy. A dynamic policy would better equip Starbucks for an emergency or planned succession with capable internal candidates and a candidate profile to expedite an external search. Developing a robust leadership pipeline has a myriad of benefits including retained institutional knowledge and increased employee morale and retention. The current policy is lacking, and we fear the Board is overly reliant on Schultz, as this was his second return. Research suggests that poorly planned successions and external successors negatively impact financial performance. A 2006 study found that delays in hiring a successor and recruiting externally decreased subsequent financial performance. Research published in the Harvard Business Review in 2021 suggests that CEOs hired internally could perform better than external hires 61% of the time. A 2001 study found that hiring externally following a CEO retirement precipitated a nearly 6% drop in performance. Given these risks, Starbucks would benefit from a robust succession planning policy that produces viable internal candidates going forward."

**Company's response:** The board recommended a vote against this proposal. "[The Board proposed] changes [that] substantially incorporate the suggestions made by the proponent. However, after consultation with outside counsel and benchmarking against publicly available, peer-company statements on succession planning, we determined that both anticipated and emergency succession planning should be an ongoing process rather than being artificially constrained by the three-year

runway mandated by the proposal."

**PIRC analysis:** The company, in its response, adopts some of the instances by the proponent (although it maintains that the same person may hold the Chair and CEO roles, despite this not being included in the proposal). Nevertheless, it is considered that attaching a three-year minimum to start succession planning would be a key factor in increasing its possibilities to succeed. Ongoing processes without hard timely gates would dilute the importance of the issue at stake, especially in a job market such as that of C-suite roles, where demand and offer are unbalanced. Support is recommended.

*Vote Cast: For*

*Results: For: 20.9, Abstain: 0.6, Oppose/Withhold: 78.5,*

#### *7. Shareholder Resolution: Annual Reports on Company Operations in China*

**Proponent's argument:** Shareholders request that, beginning in 2023, Starbucks Corporation report annually to shareholders on the nature and extent to which corporate operations depend on, and are vulnerable to, Communist China, which is a serial human rights violator, a geopolitical threat, and an adversary to the United States. "Starbucks has 5,400 stores in over 200 cities across China, and relies on raw materials, finished products, labor and/or services from entities in the communist nation. China is an established serial violator of human and political rights. •China is also a hostile adversary of the U.S. for many reasons, including: •China intends to displace the U.S. as the lone global superpower by 2049; •The U.S. has committed to defend Taiwan, which China has militaristically asserted is part of its country and may attempt to seize by force; •U.S.-China relations are tense over a number of issues including China's military expansion; egregious human rights violations; actions related to the COVID pandemic; intellectual property theft; relentless espionage; elimination of freedom in Hong Kong; and environmental pollution. China has also indicated that it would use its industrial capabilities for strategic purposes against adversaries. Many Chinese companies - which are ultimately under the control of the Communist government-are vulnerable to the U.S. Holding Foreign Companies Accountable Act, do not adhere to basic auditing standards, and are therefore untrustworthy. China - and by extension the companies it controls - is also identified in the U.S. State Department's 2022 Trafficking in Persons Report as a state sponsor of human trafficking. It is now subject to the Uyghur Forced labor Prevention Act, which imposes strict verification of parts and products imported from China, that they are not generated from slave labor. Starbucks's extensive ties to China breed reputational risk for the company also. For example, while the company funds groups that promote the interests of homosexual and transgender individuals, the Communist government persistently and vigorously cracks down on those forms of identity within its borders."

**Company's response:** The board recommended a vote against this proposal. "U.S. securities laws are grounded in the idea that publicly traded companies have an obligation to disclose material information to shareholders. Generally, those disclosure obligations begin under the Securities Act of 1933, as amended (the "Securities Act"), with a company's initial public offering, and continue under the Securities Exchange Act so long as a company has shares listed on a U.S. securities exchange, which, in Starbucks case, is Nasdaq. We primarily fulfill our ongoing disclosure obligations through proxy statements such as this one, our annual reports on form 10-K, our quarterly reports on form 10-Q, and periodic reports on form 8-K. Securities and Exchange Commission ("SEC") regulations require us to include in our filings information about material factors that make an investment in Starbucks speculative or risky, and we have a well-developed process for identifying and disclosing those risks. Our most recent annual report on form 10-K, which we filed on November 18, 2022, includes disclosure regarding our operations in China to the extent that they are material to Starbucks, including the number of Starbucks stores in China, net revenues derived from China, and trends in store sales in China. Additionally, our form 10-K includes disclosure of numerous risk factors with respect to our operations in China, including with respect to macroeconomic conditions, the COVID-19 pandemic, US-China relations, and governmental regulations."

**PIRC analysis:** The requested disclosure on the involvement with businesses in China as a human rights violator appears to be a spoiler resolution to prevent other shareholders from filing resolutions regarding the company's involvement on human rights controversial activities globally and focuses on geopolitical threats with the clear intent to ensure that conservative views on international relations be represented within the company's global activities, as opposed to promoting transparency and accountability around the potential benefits of global operations conducted fairly, and requesting transparency over the financial impact from non-traditionally financial issues to avoid any suspicion and any damage that may cause to the company's reputation. A report on the human rights impact of the company's operations that may be potentially complicit in China's human rights abuses would be in shareholders' interests, but such a proposal does not seem to be in the interest of the proponent. Rather, this proposal appears to use human rights as an argument to ask the company to withdraw from doing business with China, in a view that considered it to be a

geopolitical threat to the US and without actual interest in human rights in that country.

Vote Cast: *Oppose*

Results: For: 4.4, Abstain: 1.7, Oppose/Withhold: 93.8,

#### 8. *Shareholder Resolution: Assessment of Worker Rights Commitments*

**Proponent's argument:** Shareholders urge the Board of Directors to commission and oversee an independent, third-party assessment of Starbucks' adherence to its stated commitment to workers' freedom of association and collective bargaining rights as contained in the International Labour Organization's Core Labor Standards and as explicitly referenced in the company's Global Human Rights Statement. The assessment should apply to Starbucks' direct and licensed operations and address management non-interference when employees exercise their right to form or join a trade union, as well as any steps to remedy practices inconsistent with Starbucks' stated commitments. The assessment, prepared at reasonable cost and omitting legally privileged, confidential, or proprietary information, should be publicly disclosed on its website. "In the U.S., many workers allege that Starbucks has interfered with these rights, including retaliation, intimidation, firings, captive audience meetings, store closings, undue surveillance, and illegally excluding unionized employees from wage and benefit increases-generating negative media coverage. Workers at hundreds of stores have voted to unionize, and regional offices of the National Labor Relations Board, after finding merit to hundreds of allegations of labor rights violations, have issued at least 20 complaints against Starbucks. In August 2022, a U.S. judge ordered Starbucks to reinstate seven Memphis, Tennessee employees who were allegedly fired for supporting an organizing campaign. Also in August, the labor board requested that Howard Schultz read a notice to all employees informing them that some had been unlawfully denied benefits and pay increases. We believe the apparent misalignment between Starbucks' public commitments and its reported conduct represents material reputational, legal, and operational risks and may impact its long-term value. As Starbucks' 2021 10-K states "our responses to any organizing efforts could negatively impact how our brand is perceived and have adverse effects on our business, including on our financial results." Failing to respect workers' rights could harm Starbucks' reputation with consumers and hurt its ability to attract and retain a high-performing workforce, a crucial element of its ability to provide quality products and service. Research shows that union membership may have a positive effect on retention, in some cases, reducing resignations by as much as 65%. Studies show companies spend approximately 20% of an employee's salary to replace them." "

**Company's response:** The board recommended a vote against this proposal. "We are proud of our investments in our Starbucks partners: • We provide the highest-rated benefits in the country for full- and part-time hourly workers (including medical coverage and stock benefits). • We offer competitive pay – with a minimum of \$15/hour and average pay across our company-owned U.S. stores that is nearing \$17.50/hour. • Since 1991, our Bean Stock program has provided our partners the opportunity to share in the financial success of the company through shares of our stock-it's the reason our employees are called partners. • We are broadening health insurance options, providing 100% upfront tuition coverage for college tuition through the Starbucks College Achievement Plan with Arizona State University, providing mental health services at no cost, and recently introduced a new suite of financial well-being benefits for our U.S. partners. • To make our partners' days run more smoothly, we're improving the way our 'behind the bar' space is organized so it's easier to navigate during busy times, creating easy processes for partners to sign up for and trade shifts to fit their schedules, and working to improve staffing at busy stores. Starbucks partners' voices and concerns are top priority for both management and this board-we are listening. We continue to believe that, together with our partners, we can build a company defined by dignity and respect for each other and our planet. We are united in the shared purpose of uplifting the partner experience today and for years to come."

**PIRC analysis:** The proponent asks for a report on the risks associated with potential and actual risks from not respecting its employees' freedom of association. Such risks can have significant reputational and financial consequences for a company and it is in the best interests of shareholders to be informed of the company's exposure to and management of such risks. While the company indicates that it is committed to respecting the freedom to unionise by its employees throughout its plants and operations and reports some internal initiatives for this purpose, but it does not disclose the data underlying unionisation among its labour force. Ensuring that workers are actually free to unionise, free from retaliation as well as collecting the corresponding data are considered to be due diligence, in order to uphold company's policies on labour rights and minimise corresponding risks. As such, a vote for the resolution is recommended.

Vote Cast: *For*

Results: For: 51.4, Abstain: 1.3, Oppose/Withhold: 47.3,



### 9. *Shareholder Resolution: Creation of Board Committee on Corporate Sustainability*

**Proponent's argument:** Shareholders of Starbucks request that the Board of Directors create a board committee on corporate sustainability to oversee and review the impact of the company's policy positions and advocacy on matters relating to the company's ongoing growth and sustainability. The company shall issue a public report on the committee's findings by the end of 2023. "This summer, Starbucks announced it would be closing 16 stores due to safety concerns. "We've had to make the difficult decision to close some locations that have a particularly high volume of challenging incidents that make it unsafe for us to operate," a spokesman told reporters. Signaling that the July 2022 closures were "just the beginning," CEO Howard Schultz has forecast that "there are going to be many more. " Indeed, store managers have complained of assaults, theft, and drug use in stores, while employees have recounted horror stories from store bathrooms, such as having to regularly clean up blood and needles, and seeing individuals overdose and need to be revived with Narcan.<sup>4</sup> In no other multi-billion-dollar company would such scenes be acceptable, yet in many Starbucks locations across the country, it has become the norm.[...] Changing company policy to now permit individual stores to make their own decisions as to whether to have an open bathroom policy is an important first step in addressing the decisions that led to the safety concerns experienced in the first place, but it is just that, a first step.<sup>10</sup> Reflecting upon the company's policy positions and advocacy decisions-and assessing how they have contributed to its need to close stores due to safety issues - is therefore necessary to keep additional stores from closing and to protect shareholders."

**Company's response:** The board recommended a vote against this proposal. "The Proposal discusses the closure of 16 Starbucks stores due to safety concerns. We operate our network of over 9,200 company-operated stores in the U.S. with a focused commitment on creating a safe, welcoming, and inclusive environment at each location. We continuously evaluate store locations and store closures as an ordinary part of our operations. During our 2022 fiscal year, we closed 116 U.S. company-operated stores for a variety of reasons, including, in some instances, safety. During that same period, we opened 437 new company-operated stores in the U.S. representing net store growth of 318 stores. The closure of 16 stores does not materially impact our business, but it does exemplify our commitment to the safety of our partners. Accordingly, because the Starbucks board of directors and its Nominating and Corporate Governance Committee have effective oversight over sustainability issues and have disclosed our commitment to further our efforts with intention, transparency, and accountability publicly, including through the GESI Report and the CRA, the board of directors does not believe that establishing a separate corporate sustainability committee is necessary to properly exercise its oversight of this important area, nor would such a commitment add to Starbucks existing commitment to corporate sustainability."

**PIRC analysis:** A dedicated board committee with properly qualified membership would seem to be an important addition for the preservation of shareholder capital, given the magnitude of the potential effect of labour risks on the businesses. Properly skilled directors on a dedicated board committee would ensure to shareholders that these topics are embedded into the decision-making process, that directors understand the future commitments of the company and not look at labour challenges as 'nice-to' topics, or purely from a legal compliance perspective. The company's response suggests that neither the board, nor any of the committees currently established within the board are looking at opportunity for the business deriving from labour issues, such as retention and talent attraction.

Vote Cast: *For*

Results: For: 2.7, Abstain: 1.4, Oppose/Withhold: 96.0,

### NORDEA BANK ABP AGM - 23-03-2023

#### 13.g. *Elect Arja Talma - Non-Executive Director*

Independent Non-Executive Director.

Vote Cast: *For*

Results: For: 83.9, Abstain: 0.0, Oppose/Withhold: 16.1,

#### 16. *Amend Articles: Allow Virtual Meetings*

It is proposed to amend the articles, in order to hold shareholder meetings on a virtual basis, whereby shareholders are not required to attend the meeting in person at a physical location but may instead attend and participate using electronic means. A shareholder meeting may be virtual only if attendees participate only by way

of electronic means, or may be held on a hybrid basis whereby some attendees attend in person at a physical location and others attend remotely using electronic means. Meetings are a place for debate and decision: it is considered that the use of electronic means of participation be beneficial for all shareholders. Support is recommended.

Vote Cast: *For*

Results: For: 68.3, Abstain: 0.1, Oppose/Withhold: 31.7,

### **BANCO SANTANDER SA AGM - 31-03-2023**

#### *6F. Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. The company has disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. On balance, support is recommended.

Vote Cast: *For*

Results: For: 89.0, Abstain: 0.3, Oppose/Withhold: 10.7,

### 3 Oppose/Abstain Votes With Analysis

#### TESSELLIS EGM - 10-01-2023

##### *E.1. Issue Shares for Cash*

It is proposed to authorize the Board to issue shares without pre-emptive rights for up to EUR 60 million, that is corresponding approximately to the current share capital of the company. To issue shares without pre-emptive rights to an amount of more than 10% of the share capital is deemed excessive, and the company has not duly justified it. Opposition is recommended.

Vote Cast: *Oppose*

#### AB DYNAMICS PLC AGM - 11-01-2023

##### *2. Approve the Remuneration Report*

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

#### ASOS PLC AGM - 11-01-2023

##### *1. Receive the Annual Report*

The annual report was made available sufficiently before the meeting and has been audited and certified. However, there are concerns surrounding the sustainability policies and practice at the company and the lack of board level accountability for sustainability issues. Therefore, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, however the annual report fails to address these concerns adequately and therefore this resolution cannot be supported.

Vote Cast: *Abstain*

Results: For: 99.7, Abstain: 0.2, Oppose/Withhold: 0.2,

##### *2. Approve Remuneration Policy*

Changes proposed: i) Introduction of annual bonus deferral: A deferral element has been added to the annual bonus scheme. Any bonus earned up to 50% of salary will be paid in cash, and any additional bonus earned above this will be split equally between a portion paid in cash and a portion deferred into shares for three years. Therefore, if the maximum bonus is achieved, one-third of the bonus will be delivered in shares, ii) ALTIS (ASOS Long Term Incentive Scheme) holding period: The total time horizon of the ALTIS has been extended to five years by adding a two-year holding period (i.e. three-year performance period plus two-year holding period),

iii) Post-employment shareholding guideline: a former Executive Director will be expected to retain their full shareholding guideline (i.e. 200% of salary) for the first year following cessation of employment and half of this amount (i.e. 100% of salary) for a second year thereafter.

Although the changes proposed to the remuneration policy are positives, still concerns are raised for the following: Total variable pay could reach 400% of the salary and is considered excessive since is higher than 200%. On the Annual Bonus if 100% of the target achieved one third of the Bonus will defer to shares for three years. This is not considered to be sufficient, it would be preferable 50% of the Bonus to be paid in cash and 50% to defer to shares for at least three years. On the Long-term incentive plan (LTIP) performance period is three years which is not considered sufficiently long-term, however, a two year holding period applies which is welcomed. There is no evidence that dividends may not accrue on vesting awards from the date of grant. Such rewards misalign shareholders and executive interests as shareholders must subscribe for shares in order to receive dividends whereas participants in the scheme do not. Malus and clawback provisions apply to all variable pay.

The expectations for pay schemes for approval at general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties, including the new s172 duties, should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'. As such, PIRC may recommend opposition on any remuneration policy or report proposals containing variable remuneration.

Vote Cast: *Oppose*

Results: For: 98.8, Abstain: 0.1, Oppose/Withhold: 1.1,

### 3. *Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. The highest paid executive director for the year under review was Mr. Matt Dunn. The salary of the highest paid director is in line with the workforce. However, the salary for the highest paid director is in the upper quartile of the competitor group which raises concerns for potential excessiveness. The changes in the highest paid executive director pay over the last five years are considered to be in line with the Company's TSR performance over the same period. Total variable pay for the year under review was 5.21% it is noted that no Annual Bonus was awarded which is commendable. The ratio of CEO pay compared to average employee pay is acceptable at 11:1

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 97.2, Abstain: 0.0, Oppose/Withhold: 2.8,

### 4. *Re-elect Jørgen Lindemann - Chair (Non Executive)*

Non-Executive Chair of the Board. As the Chair of the Sustainability Committee is not up for election, the Chair of the Board is considered accountable for the Company's sustainability programme. As the Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability an abstain vote is recommended.

Vote Cast: *Abstain*

Results: For: 98.3, Abstain: 0.2, Oppose/Withhold: 1.5,

### 9. *Re-appoint PricewaterhouseCoopers LLP as auditor of the Company.*

PwC proposed. Non-audit fees represented 140.00% of audit fees during the year under review and 77.78% on a three-year aggregate basis. Non-audit fees exceed 25% of audit fees for the year under review and this level of non-audit fees raises major concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

Vote Cast: *Oppose*

Results: For: 93.0, Abstain: 0.0, Oppose/Withhold: 6.9,

#### 14. *Authorise Share Repurchase*

The authority is limited to 5% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 99.3, Abstain: 0.0, Oppose/Withhold: 0.7,

### **BANK OF PHILIPPINE ISLANDS EGM - 17-01-2023**

#### 6. *Approve the proposed Merger between BPI and Robinsons Bank Corporation*

**Introduction:** It is proposed to approve the proposed merger between BPI and Robinsons Bank Corporation (RBS), a Philippine commercial bank and the financial services arm of the Gokongwei Group of Companies, with BPI as the surviving entity. RBC shall merge with BPI, with BPI as the surviving corporation. After the merger, BPI shall continue its corporate existence under the laws of the Republic of the Philippines. The separate existence of RBC shall terminate on the effective date of the merger which shall be the first day of the calendar quarter following the completion of the regulatory approvals. Prior to the merger, BPI and RBC shall conduct their respective businesses in substantially the same manner as previously conducted and shall continue to preserve said businesses as a going concern.

**Proposal:** As a result of merger, BPI will issue primary common shares to the RBC stockholders that will result in the RBC Shareholders owning approximately 6% of the resulting outstanding common shares of BPI, subject to adjustments. The merger will accordingly dilute the ownership of existing BPI shareholders by the same percentage.

**Rationale:** The proposed merger transaction will unlock various synergies across several products and service platforms and expand the customer and deposit base

of both banks through the merged entity. At the same time, by capitalizing on BPI's expertise and network, the merger will lead to enhancement of the overall banking experience of RBC customers.

**Recommendation:** Such proposals are considered on the basis of whether they are deemed fair, whether they have been adequately explained, and whether there is sufficient independent oversight of the recommended proposal. The circular contains sufficient details of the transaction, but there is insufficient independence on the Board. This is considered to be a potential risk for the decision not to be taken with appropriate independence and objectivity. Abstention is recommended.

*Vote Cast: Abstain*

## WH SMITH PLC AGM - 18-01-2023

### *2. Approve the Remuneration Report*

All elements of each director cash remuneration and pension contributions are disclosed. The increase in CEO's salary is in line with the salary of the overall workforce, since CEO salary increased by 6% and the workforce salary increased by 8%. The CEO salary is in the median range of the peer comparator group. The changes in the CEO pay over the last five years are not in line with Company's financial performance over the same period. The variable pay for the CEO during the year is considered acceptable at 164.1% of the salary which is only inclusive of the Annual Bonus and no payment for the LTIP award. The ratio of the CEO pay compared to the average employee pay is deemed highly excessive at 75:1.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

*Vote Cast: Oppose*

*Results: For: 99.0, Abstain: 0.0, Oppose/Withhold: 1.0,*

### *6. Re-elect Carl Cowling - Chief Executive*

Chief Executive. Acceptable service contract provisions. However, it is noted that this director is also a member of the nomination committee. It is important that this committee be exclusively comprised of independent directors in order to ensure an equitable and unprejudiced appointment process. Membership of the committee by the CEO raises serious concerns in this regard and therefore an oppose vote is recommended.

*Vote Cast: Oppose*

*Results: For: 95.4, Abstain: 0.0, Oppose/Withhold: 4.5,*

### *8. Re-elect Simon Emeny - Senior Independent Director*

Senior Independent Director. Considered independent. In addition Mr. Emeny is the Designated non-executive director workforce engagement. It would be preferred that companies appoint directors from the workforce rather than designate a non-executive director (NED). Support will be recommended for the election or re-election of designated NEDs provided that no significant employment relations issues have been identified. Furthermore, there are concerns over a potential conflict of interest between his role as an Executive in a listed company and membership of the remuneration committee. An abstain vote is recommended.

*Vote Cast: Abstain*

*Results: For: 98.4, Abstain: 0.2, Oppose/Withhold: 1.4,*

#### 10. *Re-elect Marion Sears - Non-Executive Director*

Independent Non-Executive Director and Chair of the Remuneration Committee. There are serious concerns regarding the implementation of remuneration at the company and it is considered that chair of the remuneration committee should be held accountable for it when considering re-election. Therefore opposition is recommended.

Vote Cast: *Oppose*

Results: For: 98.8, Abstain: 0.0, Oppose/Withhold: 1.2,

#### 12. *Re-appoint PricewaterhouseCoopers LLP as Auditors of the Company*

PwC proposed. Non-audit fees represented 9.09% of audit fees during the year under review and 18.42% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

Vote Cast: *Oppose*

Results: For: 99.5, Abstain: 0.0, Oppose/Withhold: 0.5,

#### 17. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 96.5, Abstain: 2.8, Oppose/Withhold: 0.7,

#### 18. *Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board,

an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 99.0, Abstain: 0.8, Oppose/Withhold: 0.2,

#### **D. R. HORTON INC. AGM - 18-01-2023**

##### *1a. Elect Donald R. Horton - Chair (Executive)*

Executive Chair. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Holding an executive position is incompatible with this. Additionally, on 18 December 2022, the Baton Rouge Advocate reported that a Louisiana family was planning to expand its class action lawsuit against D. R. Horton, over allegations that the company did not build homes capable of standing up to the state's weather, and as a result has mould, humidity, and HVAC issues. This is considered as a serious concern, in which the Chair has responsibility. Based on these concerns, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 97.6, Abstain: 0.0, Oppose/Withhold: 2.3,

##### *2. Advisory Vote on Executive Compensation*

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: AEB. Based on this rating, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 85.3, Abstain: 0.1, Oppose/Withhold: 14.6,

#### **COSTCO WHOLESALE CORPORATION AGM - 19-01-2023**

##### *1a. Elect Susan L. Decker - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board. Additionally, there are concerns pertaining to time commitment exacerbated by no attendance proof.

Vote Cast: *Oppose*

Results: For: 90.8, Abstain: 0.1, Oppose/Withhold: 9.1,

##### *1d. Elect Hamilton E. James - Chair (Non Executive)*

Non-Executive Chair of the Board. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

Results: For: 94.3, Abstain: 0.3, Oppose/Withhold: 5.5,

##### *1g. Elect Charles T. Munger - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.



Vote Cast: *Oppose*

Results: For: 86.8, Abstain: 0.2, Oppose/Withhold: 13.1,

*1h. Elect Jeffrey S. Raikes - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board. Additionally, as the Chair of the Nominating and Governance Committee is considered to be accountable for the Company's sustainability programme and given the concerns over the Company's sustainability policies and practice, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 81.0, Abstain: 0.2, Oppose/Withhold: 18.8,

*1k. Elect Mary Agnes (Maggie) Wilderotter - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

Vote Cast: *Oppose*

Results: For: 92.0, Abstain: 0.2, Oppose/Withhold: 7.8,

*2. Appoint the Auditors*

KPMG proposed. Non-audit fees represented 11.83% of audit fees during the year under review and 7.65% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Oppose*

Results: For: 96.0, Abstain: 0.1, Oppose/Withhold: 3.8,

*3. Advisory Vote on Executive Compensation*

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: DCB. Based on this rating, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 95.1, Abstain: 0.3, Oppose/Withhold: 4.6,

**METRO INC. AGM - 24-01-2023**

*2. Appoint the Auditors*

EY proposed. Non-audit fees represented 6.39% of audit fees during the year under review and 6.97% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Oppose*

### 3. *Advisory Vote on Executive Compensation*

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: ACB. Based on this rating, abstention is recommended.

*Vote Cast: Abstain*

### 4. *Amend Option Plan*

It is proposed to amend the Option Plan to increase the number of shares by 2,500,000, for a total of 5,440,626 out of a possible maximum of 30,000,000 Shares. Under the plan, participants will be allotted stock options, each of which will give right to one share. Performance targets have not been quantified at this time, which makes an informed assessment impossible and may lead to (partial) payment against (partial) failure.

LTIP based schemes are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the Company (creating capital and - lawful - dividends). They act as a complex and opaque hedge against absolute Company under-performance and long-term share price falls. They are also a significant factor in reward for failure. We recommend opposition to this resolution.

*Vote Cast: Oppose*

## **MARSTON'S PLC AGM - 24-01-2023**

### 1. *Receive the Annual Report*

The annual report was made available sufficiently before the meeting and has been audited and certified. However, there are serious concerns surrounding the sustainability policies and practice at the company and the lack of board level accountability for sustainability issues. Therefore, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, however the annual report fails to address these concerns and it is recommended to oppose this resolution.

*Vote Cast: Oppose*

**Results: For: 98.2, Abstain: 0.0, Oppose/Withhold: 1.7,**

### 2. *Approve Remuneration Policy*

The maximum annual bonus opportunity is 125% of base salary, which together with the maximum LTIP opportunity of 200% is considered excessive. One third of the annual bonus award must be used to purchase shares which will be held for three years; it would be preferred if at least 50% of the shares were deferred. The LTIP does not use non-financial KPIs as performance metrics and the performance conditions are not operating interdependently. Executive directors must retain 200% of their base salary in shareholdings, and until this is reached they are required to retain 50% of the shares they are paid net of tax.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). The 'binding' pay policy vote has not been effective. The disappointment with the policy vote comes across in the levels of dissenting votes on remuneration reports, which disclose outcomes under previously agreed policies. When there are contentious circumstances with executives leaving the instrument that really matters is the service contract. As such, the concept of alignment with shareholders' for pay purposes is a fallacy, because the risk and responsibilities are different. Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are

employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 93.1, Abstain: 0.1, Oppose/Withhold: 6.8,

### 3. *Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. The change in the CEO's salary is in line with the rest of the Company. The CEO's salary is in the median of PIRC's comparator group. The balance of CEO realised pay with financial performance is considered acceptable as the change in CEO total pay over five years is commensurate with the change in TSR over the same period. Variable remuneration for the year under review was 123% of fixed remuneration, which is not considered excessive. The CEO pay ratio has been calculated at 45:1, which is considered excessive.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 91.8, Abstain: 1.6, Oppose/Withhold: 6.6,

### 10. *Re-elect William Rucker - Chair (Non Executive)*

Non-Executive Chair of the Board. As there is no Board Sustainability Committee, the Chair of the Board is considered accountable for the Company's sustainability programme. As such, given the concerns over the Company's sustainability policies and practice, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 95.8, Abstain: 0.1, Oppose/Withhold: 4.2,

### 11. *Re-appoint KPMG as the Auditors*

KPMG proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY

or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

Vote Cast: *Oppose*

Results: For: 98.1, Abstain: 0.1, Oppose/Withhold: 1.8,

#### 14. *Approve New Long Term Incentive Plan*

The Board proposes the approval of a new long-term incentive plan. Under the plan, the CEO and other executives will be awarded rights to shares, a portion (or all) of which will vest depending on the achievement of some performance criteria. Vesting period is three years and as such is considered to be short-term, while performance targets have not been fully disclosed in a quantified manner at this time.

LTIP schemes are not considered an effective means of incentivising performance and are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the company. They are acting as a complex and opaque hedge against absolute company underperformance and long-term share price falls. They are also a significant factor in reward for failure.

Vote Cast: *Oppose*

Results: For: 93.5, Abstain: 0.1, Oppose/Withhold: 6.4,

#### 17. *Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 98.1, Abstain: 0.0, Oppose/Withhold: 1.8,

### **VISA INC AGM - 24-01-2023**

#### 1a. *Elect Lloyd A. Carney - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year. In addition, for the year under review, the Company was involved in a lawsuit against MindGeek in which Visa Inc is accused of facilitating the process by processing payments between advertisers and MindGeek. isa argued that Fleites' injuries are completely dependent on the actions of other parties, such as MindGeek or her childhood boyfriend. However, Judge Cormac J. Carney wrote that "Visa lent to MindGeek a much-needed tool - its payment network - with the alleged knowledge that there was a wealth of monetized child porn on MindGeek's websites. Later in August 2022 the Company announced that it would suspend ties with MindGeek's advertising arm. Since the Audit committee failed to address the issue earlier and to take measures which will protect its reputation and commercial activities, opposition is recommended for the Chair of the Audit Committee.

Vote Cast: *Oppose*

Results: For: 93.9, Abstain: 0.2, Oppose/Withhold: 5.9,

#### 1d. *Elect Alfred F. Kelly Jr. - Chair & Chief Executive*

Chair and CEO. Combined roles at the head of the Company. There should be a clear division of responsibilities at the head of the Company between the running of the board and the executive responsibility for the running of the Company's business. No one individual should have unfettered powers of decision. Combining the two roles in one person represents a concentration of power that is potentially detrimental to board balance, effective debate, and board appraisal. In addition as the Company do not have a Board level Sustainability Committee, the Chair of the Board is considered accountable for the Company's sustainability programme. As

such, given that the Company's sustainability policies and practice are not considered to be adequate in order to minimize material risks linked to sustainability. Overall opposition is recommended.

Vote Cast: *Oppose*

Results: For: 96.9, Abstain: 0.1, Oppose/Withhold: 3.0,

#### 2. *Advisory Vote on Executive Compensation*

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: ACA. Based on this rating, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 89.7, Abstain: 0.7, Oppose/Withhold: 9.6,

#### 4. *Appoint the Auditors*

KPMG proposed. Non-audit fees represented 1.05% of audit fees during the year under review and 2.02% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Oppose*

Results: For: 98.4, Abstain: 0.1, Oppose/Withhold: 1.5,

### **BECTON, DICKINSON AND COMPANY AGM - 24-01-2023**

#### 1.02. *Elect Catherine M. Burzik - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

Results: For: 96.1, Abstain: 0.2, Oppose/Withhold: 3.7,

#### 1.05. *Elect Claire M. Fraser Ph.D. - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

Results: For: 96.9, Abstain: 0.2, Oppose/Withhold: 3.0,

#### 1.07. *Elect Christopher Jones - Non-Executive Director*

Chair of the Corporate Governance and Nominating Committee. As the Chair of the Corporate Governance and Nominating Committee is considered to be accountable for the Company's sustainability programme, and given the concerns over the Company's sustainability policies and practice, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 89.5, Abstain: 1.4, Oppose/Withhold: 9.1,

### 1.08. *Elect Marshall O. Larsen - Lead Independent Director*

Lead Independent Director. Not considered independent as owing to a tenure of sixteen years. It is considered that a Lead Independent Director should be independent, in order to fulfill the responsibilities assigned to that role.

Vote Cast: *Oppose*

Results: For: 92.2, Abstain: 0.2, Oppose/Withhold: 7.6,

### 1.09. *Elect Thomas E. Polen - Chair & Chief Executive*

Chair and CEO. Combined roles at the head of the Company. There should be a clear division of responsibilities at the head of the Company between the running of the board and the executive responsibility for the running of the Company's business. No one individual should have unfettered powers of decision. Combining the two roles in one person represents a concentration of power that is potentially detrimental to board balance, effective debate, and board appraisal.

Vote Cast: *Oppose*

Results: For: 92.7, Abstain: 0.4, Oppose/Withhold: 6.9,

### 1.10. *Elect Timothy M. Ring - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board. Additionally, not considered independent as he served as the Chairman and Chief Executive Officer of Bard from August 2003 until the closing of its acquisition by the Company.

Vote Cast: *Oppose*

Results: For: 99.3, Abstain: 0.2, Oppose/Withhold: 0.5,

### 1.11. *Elect Bertram L. Scott - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

Results: For: 87.7, Abstain: 0.2, Oppose/Withhold: 12.1,

## 2. *Appoint the Auditors*

EY proposed. Non-audit fees represented 6.75% of audit fees during the year under review and 5.91% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Oppose*

Results: For: 94.1, Abstain: 0.2, Oppose/Withhold: 5.6,

## 3. *Advisory Vote on Executive Compensation*

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: ADB. Based on this rating, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 92.6, Abstain: 0.3, Oppose/Withhold: 7.1,

## SIEMENS GAMESA RENEWABLE ENERGY SA EGM - 25-01-2023

### 1. *Elect Christian Bruch - Chair (Non Executive)*

Non-Executive Chair. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Not considered independent as the Chair is considered to be connected with a significant shareholder: Siemens Energy AG. Overall, Oppose is recommended.

Vote Cast: *Oppose*

### 2. *Elect Anton Steiger - Non-Executive Director*

Non-Executive Director. Not considered independent the director is considered to be connected with a significant shareholder: Siemens Energy AG. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

## BRITVIC PLC AGM - 26-01-2023

### 3. *Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. The CEO salary is in the median of a peer comparator group. The balance of CEO realized pay with financial performance is not considered acceptable as the change in CEO total pay over five years is not commensurate with the change in TSR over the same period. Total variable pay for the year under review was NOT excessive, amounting to approximately 160.3% of salary for the CEO (Annual Bonus: 135.8% and LTIP: 24.5%). The ratio of CEO pay compared to average employee pay is not considered acceptable, standing at 40:1.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 90.4, Abstain: 0.0, Oppose/Withhold: 9.6,

### 16. *Issue Shares with Pre-emption Rights*

The authority is limited to one third of the Company's issued share capital. This cap can increase to two-thirds of the issued share capital if shares are issued in connection with an offer by way of a rights issue. All directors are standing for annual re-election. This resolution is in line with normal market practice and expires at the next AGM. It is noted that in the 2021 Annual General Meeting the resolution received significant opposition of 13.14% of the votes and the Company did not disclose how it address the issue with its shareholders. Therefore abstention is recommended.

Vote Cast: *Abstain*

Results: For: 92.3, Abstain: 0.3, Oppose/Withhold: 7.4,

#### 18. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 92.9, Abstain: 1.1, Oppose/Withhold: 6.0,

#### 19. *Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 99.7, Abstain: 0.0, Oppose/Withhold: 0.3,

#### 20. *Meeting Notification-related Proposal*

It is proposed that a general meeting of the Company other than an annual general meeting may be called on not less than 14 clear days' notice. It is considered that all companies should aim to provide at least 20 working days notice for general meetings in order to give shareholders sufficient time to consider what are often complex issues. However, as the proposed change is permissible by the Companies Act. However, in the 2021 Annual General Meeting the resolution received significant opposition of 11.58% of the votes. The Company did not disclosed information's as to how address the issue with its shareholders. Therefore, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 92.8, Abstain: 0.3, Oppose/Withhold: 6.9,

### **AIR PRODUCTS AND CHEMICALS INC. AGM - 26-01-2023**

#### 1d. *Elect Seifollah (Seif) Ghasemi - Chair & Chief Executive*

Chair and CEO. Combined roles at the head of the Company. There should be a clear division of responsibilities at the head of the Company between the running of the board and the executive responsibility for the running of the Company's business. No one individual should have unfettered powers of decision. Combining the two roles in one person represents a concentration of power that is potentially detrimental to board balance, effective debate, and board appraisal.

Vote Cast: *Oppose*

Results: For: 95.5, Abstain: 0.3, Oppose/Withhold: 4.2,

#### 1e. *Elect David H.Y. Ho - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

Results: For: 98.5, Abstain: 0.1, Oppose/Withhold: 1.4,



#### 1f. *Elect Edward L. Monser - Senior Independent Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board. Chair of the Sustainability Committee. As the Chair of the Sustainability Committee is considered to be accountable for the Company's sustainability programme, and given the concerns over the Company's sustainability policies and practice, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 90.7, Abstain: 0.1, Oppose/Withhold: 9.2,

#### 1g. *Elect Matthew H. Paull - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

Results: For: 97.1, Abstain: 0.1, Oppose/Withhold: 2.8,

#### 2. *Advisory Vote on Executive Compensation*

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: AEA. Based on this rating, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 92.9, Abstain: 0.2, Oppose/Withhold: 6.8,

### **BARINGS EMERGING EMEA OPPORTUNITIES PLC AGM - 26-01-2023**

#### 13. *Authorise Share Repurchase*

Authority is sought to repurchase up to 14.99% of the issued share capital. The authority would expire at the next AGM. Before considering approval of buybacks (and this should come from the board, not the manager), we would like to see a public statement:

- addressing how much of the discount can be explained by capitalisation of the costs (the Total Expense Ratio),
- setting out why the board believes that the performance of the incumbent management is not a contributory factor to the discount, and
- setting out how the current fee structure might be contributing to the discount, for example some investment companies cap management fees, or reduce the manager fee the larger the fund gets,
- setting out the effect of prior year buybacks to help determine the effectiveness of prior buybacks.

Vote Cast: *Oppose*

### **TELENOR ASA EGM - 26-01-2023**

#### 5. *Authorization to acquire own shares*

It is proposed to authorise the Board to purchase Company's shares until 31 December 2023. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 99.8, Abstain: 0.0, Oppose/Withhold: 0.2,

## AVON PROTECTION PLC AGM - 27-01-2023

### 1. *Receive the Annual Report*

The annual report was made available sufficiently before the meeting and has been audited and certified. However, there are concerns surrounding the sustainability policies and practice at the company. Therefore, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, however the annual report fails to address these concerns adequately and therefore this resolution cannot be supported.

Vote Cast: *Abstain*

Results: For: 99.1, Abstain: 0.9, Oppose/Withhold: 0.0,

### 2. *Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. The CEO salary is in line with the workforce. However, the CEO's salary is in tupper quartile of the competitor group which raises concerns of potential excessiveness. The balance of CEO realized pay with financial performance is considered acceptable as the change in CEO total pay over five years is commensurate with the change in TSR over the same period. Total variable pay for the year under review was not excessive, amounting to 55.5% of salary. The ratio of CEO pay compared to average employee pay is acceptable, standing at 13:1.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 83.7, Abstain: 0.0, Oppose/Withhold: 16.3,

### 6. *Re-elect Bruce Thompson - Chair (Non Executive)*

Chair. The Chair is not considered to be independent as Mr. Thompson serves as Executive Chair from the period 30 September 2022 to 16 January 2023. In addition, it is a generally accepted norm of good practice that a Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Being a non-independent Chair is considered to be incompatible with this. Furthermore, as the Company do not have a Board level Sustainability Committee, the Chair of the Board is considered accountable for the Company's sustainability programme. As the Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability. Overall, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 96.6, Abstain: 0.0, Oppose/Withhold: 3.4,

### 10. *Re-appoint KPMG LLP as auditor of the Company*

KPMG proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations

gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

Vote Cast: *Oppose*

Results: For: 99.1, Abstain: 0.0, Oppose/Withhold: 0.9,

#### 12. *Approve Political Donations*

The proposed authority is subject to an overall aggregate limit on political donations and expenditure of GBP 100,000. The Company did not make any political donations or incur any political expenditure and has no intention either now or in the future of doing so. However, the aggregate total amount exceeds recommended limits. An abstain vote is recommended.

Vote Cast: *Abstain*

Results: For: 79.2, Abstain: 17.9, Oppose/Withhold: 2.9,

#### 15. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 98.2, Abstain: 0.0, Oppose/Withhold: 1.8,

#### 16. *Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 99.1, Abstain: 0.0, Oppose/Withhold: 0.9,

## ON THE BEACH GROUP PLC AGM - 27-01-2023

### 1. *Receive the Annual Report*

The annual report was made available sufficiently before the meeting and has been audited and certified. However, there are concerns surrounding the sustainability policies and practice at the company and the lack of board level accountability for sustainability issues. Therefore, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, however the annual report fails to address these concerns adequately and therefore this resolution cannot be supported.

Vote Cast: *Abstain*

Results: For: 98.6, Abstain: 1.4, Oppose/Withhold: 0.0,

### 2. *Approve Remuneration Policy*

Total variable pay excluding sign-on compensation is 200% of base salary, which is considered acceptable. The annual bonus is up to 100% of base salary. There is also a two year holding period for up to 50% of the bonus, which is welcomed; although it would be preferred if 50% of the award was held as a minimum. The long-term incentive is up to 100% of base salary and has a three year performance period, which is considered short term; however there is an additional two year holding period which is welcomed. The company has not used any non-financial performance conditions for the LTIP, which is not best practice. Malus and clawback conditions apply over the whole variable remuneration. There is a shareholding requirement of 200% of base salary which must be met within five years of appointment, which is welcomed.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). The 'binding' pay policy vote has not been effective. The disappointment with the policy vote comes across in the levels of dissenting votes on remuneration reports, which disclose outcomes under previously agreed policies. When there are contentious circumstances with executives leaving the instrument that really matters is the service contract. As such, the concept of alignment with shareholders' for pay purposes is a fallacy, because the risk and responsibilities are different. Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 78.8, Abstain: 0.6, Oppose/Withhold: 20.5,

### 3. *Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. The highest paid director's salary was in the lower quartile of the comparator group. The increase in the CEO and CFO's salary was in line with the expected increase of the overall workforce. The balance of the highest paid executive director realized pay with financial performance is not considered acceptable as the change in total remuneration is not commensurate with the change in TSR. Variable pay for the year under review was 105.2% (Annual Bonus: 81.41%, LTIP: 23.79%) of the salary. The ratio of highest paid executive director pay compared to average employee pay is acceptable, standing at 11:1.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a

vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

*Vote Cast: Oppose*

*Results: For: 98.5, Abstain: 0.0, Oppose/Withhold: 1.5,*

#### *6. Re-elect Shaun Morton - Executive Director*

Executive Director. As the Board member with overall responsibility for climate change and ESG, the Chief Financial Officer is considered accountable for the Company's sustainability programme. As such, given that the Company's sustainability policies and practice are not considered to be adequate in order to minimize material risks linked to sustainability, an abstain vote is recommended.

*Vote Cast: Abstain*

*Results: For: 96.7, Abstain: 1.4, Oppose/Withhold: 1.8,*

#### *11. Re-appoint EY as the Auditors*

EY proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

*Vote Cast: Oppose*

*Results: For: 98.6, Abstain: 0.0, Oppose/Withhold: 1.4,*

#### *13. Approve On The Beach Group Plc Long Term Incentive Plan 2023*

The Board proposes the approval of a new long-term incentive plan. Under the plan, the CEO and other executives will be awarded rights to shares, a portion (or all) of which will vest depending on the achievement of some performance criteria. Vesting period is three years and as such is considered to be short-term, while performance targets have not been fully disclosed in a quantified manner at this time.

LTIP schemes are not considered an effective means of incentivising performance and are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the company. They are acting as a complex and opaque hedge against absolute company underperformance and long-term share price falls. They are also a significant factor in reward for failure.

*Vote Cast: Oppose*

*Results: For: 86.9, Abstain: 0.0, Oppose/Withhold: 13.1,*

### 16. *Issue Shares for Cash*

The authority sought exceeds the recommended 5% maximum of the Company's issued share capital and expires at the next AGM. An oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 96.8, Abstain: 1.7, Oppose/Withhold: 1.6,

### 17. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 10% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that a 5% limit to be sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 85.8, Abstain: 1.7, Oppose/Withhold: 12.5,

### 18. *Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 98.6, Abstain: 0.0, Oppose/Withhold: 1.4,

## TREATT PLC AGM - 27-01-2023

### 1. *Receive the Annual Report*

The annual report was made available sufficiently before the meeting and has been audited and certified. However, there are concerns surrounding the sustainability policies and practice at the company and the lack of board level accountability for sustainability issues. Therefore, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, however the annual report fails to address these concerns adequately and therefore this resolution cannot be supported.

Vote Cast: *Abstain*

Results: For: 99.6, Abstain: 0.3, Oppose/Withhold: 0.1,

### 2. *Approve the Remuneration Report*

All elements of the single total remuneration table are adequately disclosed. The salary of the CEO increase by 14.7% and is not in line with the workforce which increase by 9%. However, it is noted that the CEO salary is in the lower quartile of a peer comparator group. The balance of CEO realized pay with financial performance is not considered acceptable as the change in CEO total pay over the last five years is not aligned to the change in TSR over the same period. Over the five-year period average annual increase in CEO pay has been approximately 50.16% whereas, on average, TSR has increased by 46.67%. Total variable pay for the year under review is not considered acceptable, amounting to 263.75% of salary for the CEO (Annual Bonus : 10.25% of salary - LTIP : 253.5%). The ratio of CEO pay compared to average employee pay is acceptable, standing at 10:1. The company calculates median ratio for the UK.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary

duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

*Vote Cast: Oppose*

*Results: For: 86.1, Abstain: 0.0, Oppose/Withhold: 13.8,*

### *8. Re-elect Daemmon Reeve - Chief Executive*

Chief Executive. As the Company do not have a sustainability committee and the Chair of the Board is newly appointed. The Chief Executive is considered accountable for the company's sustainability programme. As such, given the concerns over the Company's sustainability policies and practice. In addition, it is noted that this director is also a member of the nomination committee. It is important that this committee be exclusively comprised of independent directors in order to ensure an equitable and unprejudiced appointment process. Membership of the committee by the CEO raises serious concerns in this regard. Overall, oppose vote is recommended.

*Vote Cast: Oppose*

*Results: For: 96.1, Abstain: 0.0, Oppose/Withhold: 3.9,*

### *13. Issue Shares for Cash*

The authority sought exceeds the recommended 5% maximum of the Company's issued share capital and expires at the next AGM. An oppose vote is recommended.

*Vote Cast: Oppose*

*Results: For: 90.8, Abstain: 0.7, Oppose/Withhold: 8.6,*

### *14. Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 10% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

*Vote Cast: Oppose*

*Results: For: 90.3, Abstain: 0.0, Oppose/Withhold: 9.7,*

### *15. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

*Results: For: 99.7, Abstain: 0.0, Oppose/Withhold: 0.3,*

## **MOTA-ENGIL SGPS SA EGM - 30-01-2023**

### *3. Elect Board: Slate Election*

Proposal to elect: João Pedro dos Santos Dinis Parreira, José Carlos Barroso Pereira Pinto Nogueira, Executive Directors, and Paulo Sacadura Cabral Portas, Non

Executive Director as newly-appointed Board members with a bundled election. Although slate elections are not considered to be best practice, they are common in this market. There is insufficient independent representation on the Board after the meeting as resulting from this slate of candidates.

*Vote Cast: Oppose*

### **FIBRA PROLOGIS PROPERTY MEXICO AGM - 30-01-2023**

#### *V. Approve Fees Payable to the Independent Members of the Technical Committee pursuant to the provisions of the Trust Agreement*

It is proposed to increase the amount payable to the board of directors by more than 10% on annual basis. The company has increased fees more than one year ago and the increase per year per director, since last time that fees were increased, is considered to be within guidelines. However, the company does not disclose a periodical process to review directors' fees: credit will not be given to companies that do not disclose their review of director fees at least every three years, as it denotes lack of remuneration oversight. On balance, opposition is recommended.

*Vote Cast: Oppose*

### **RESIDENTIAL SECURE INCOME PLC AGM - 31-01-2023**

#### *7. Re-appoint BDO LLP as Auditor to the Company*

BDO LLP proposed. Non-audit fees represented 18.57% of audit fees during the year under review and 19.78% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor. Therefore abstention is recommended.

*Vote Cast: Abstain*

*Results: For: 91.1, Abstain: 8.9, Oppose/Withhold: 0.0,*

#### *13. Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 10% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that the 10% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

*Vote Cast: Oppose*

*Results: For: 90.6, Abstain: 0.0, Oppose/Withhold: 9.3,*

#### *14. Authorise Share Repurchase*

Authority is sought to repurchase up to 14.99% of the issued share capital. The authority would expire at the next AGM. Before considering approval of buybacks (and this should come from the board, not the manager), we would like to see a public statement:

- addressing how much of the discount can be explained by capitalisation of the costs (the Total Expense Ratio),
- setting out why the board believes that the performance of the incumbent management is not a contributory factor to the discount, and
- setting out how the current fee structure might be contributing to the discount, for example some investment companies cap management fees, or reduce the manager



fee the larger the fund gets,  
 - setting out the effect of prior year buybacks to help determine the effectiveness of prior buybacks.

Vote Cast: *Oppose*

Results: For: 99.3, Abstain: 0.0, Oppose/Withhold: 0.7,

## RENEW HOLDINGS PLC AGM - 01-02-2023

### 6. *Approve the Remuneration Report*

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

### 7. *Appoint the Auditors*

KPMG proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended. EY proposed as new auditor in replacement of KPMG. Auditor rotation is considered a positive factor. Acceptable proposal.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

Vote Cast: *Oppose*

### 11. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a

specified capital investment. Such proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

*Vote Cast: Oppose*

## **CAPRICORN ENERGY PLC EGM - 01-02-2023**

### *5. Approve the Amendment of the Remuneration Policy*

**Background:** The existing terms of the Purchaser Discretionary Share Incentive Plans contain protections for participants against a loss in the value of their Awards under those plans when dividends are paid at a time when those Awards are Unexercisable Awards. That protection is given through rights to what are known as "dividend equivalents", and/or through: (i) an adjustment in the number of Ordinary Shares underlying the Unexercisable Awards; or (ii) accelerated vesting of the Unexercisable Awards. "Dividend equivalents" accrue to participants when dividend payments are made to Capricorn Shareholders and are payable (either in cash or shares) at the future time when their Awards are ultimately exercised. As part of the negotiations in respect of the Business Combination Agreement, NewMed were clear that they did not wish the Combined Company to have future liability for such payments or adjustments and that the economic impact of the Special Dividend on such Unexercisable Awards should be "crystallised" and paid in cash to participants at or prior to Completion. The Business Combination Agreement therefore envisages that the Company will, at Completion, make the Award Compensation Payments to the holders of Unexercisable Awards under the 2017 LTIP and the ESAS to compensate them for the reduction in the value of those awards that might otherwise be reasonably considered to arise as a result of the Combination in circumstances where no dividend equivalent rights will accrue and no other adjustments to their Awards will be made to reflect the Special Dividend.

**Proposal:** It is proposed to the shareholders to approve an amendment to the remuneration policy of the Company, in order to permit cash payments to Mr. Simon Thomson and Mr. James Smith in respect of their existing unexercisable share awards as compensation for any reduction in value that might otherwise be reasonably considered to arise as a result of the combination with NewMed.

**Recommendation:** It is noted that if the resolution is not approved by Capricorn Shareholders, then, under the Business Combination Agreement, and in relation to Simon Thomson and James Smith only, the "dividend equivalent rights" will not be disapplied for the Special Dividend, no Award Compensation Payment will be paid to either of them, and instead they will retain their existing dividend equivalent rights under the 2017 LTIP. This in turn will mean that, in accordance with the rules of that plan, on the subsequent exercise by either of them of a relevant award, they will receive additional value that relates to the Special Dividend. Although it is noted that if the proposal is not approved the executives will receive additional value related to the Special Dividends, the remuneration policy of the Company allow dividends to accrue on vesting awards from the date of grant. Such rewards misalign shareholders and executive interests as shareholders must subscribe for shares in order to receive dividends whereas participants in the scheme do not. Therefore opposition is recommended.

*Vote Cast: Oppose*

### *6. Approve an Israeli share incentive plan*

It is proposed to the shareholders to adopt the Capricorn Energy PLC 2023 Israeli Share Incentive Plan (the "2023 Israeli Plan"). The 2023 Israeli Plan is intended to be a discretionary arrangement that provides for the grant of equity-based incentive awards to selected employees (including Executive Directors) of the Capricorn Group who are resident in Israel in order to incentivise them to increase their efforts on behalf of Capricorn and to promote the success of Capricorn's business.

Plans to increase employee shareholding are considered to be a positive governance practice, as they can contribute to alignment between employees and shareholders. On the other hand, executives are also among the beneficiaries: it is considered that support should not be given to stock or share option plans that do not lay out clear performance criteria, targets and conditions. On balance, opposition is recommended.

*Vote Cast: Oppose*

*8. Approve the terms of a special bonus arrangement in connection with Mr. Yossi Abu's continuing employment terms*

It is proposed to the shareholders to approve the terms of a special bonus arrangements for Mr. Yossi Abu. Under the proposed arrangements, once in each period of three years Yossi Abu may be entitled to receive a special bonus subject to meeting of one or more of the following benchmarks: i) Adoption of a material investment decision (sanction) in a petroleum asset, ii) adoption of an investment decision (sanction) regarding additional development phases in the Leviathan Project (beyond Phase 1A in the development plan), iii) adoption of an investment decision (sanction) for development of the Aphrodite Field in Cyprus, iv) commencement of commercial production from a petroleum asset, v) commercial discovery in a petroleum asset, vi) Investment of unusual and exceptional effort in the promotion and implementation of a project that is in the work plan, viii) a decision to drill an exploration well to the deep targets in the Leviathan Lease, ix) approval of a project for export of natural gas to the liquefaction facilities situated in Egypt or for purposes of natural gas supply to a floating liquefaction facility (FLNG), x) commencement of new and material operations in a country where NewMed was not active at the date of approval of the NewMed remuneration policy and xi) entry into operations in the renewable energy sector. The maximum amount of a Special Bonus is six months' salary. Any Special Bonus determined to be payable may be paid as a single lump-sum payment or as two or more part-payments across a number of years. The Special Bonus may be subject to clawback for a period of three years after payment if the amounts paid were based on erroneous financial results which were subsequently restated.

The Company propose the adoption of a special Bonus in addition to the existed Annual Bonus. The proposed special bonus is paid only in cash, it would be suggested that any Bonus the Company provides paid 50% in cash and 50% defer to shares for at least three years. There is no performance measures only proposed benchmarks. Based on the mention concerns an oppose vote is recommended.

*Vote Cast: Oppose*

*9. Approve the terms of a retention bonus arrangement in connection with Yossi Abu's continuing employment terms*

It is proposed to the shareholders to approve the terms of a retention bonus for Mr. Yossi Abu. Once any three years Mr. Yossi Abu is entitled to receive a retention bonus conditional only on continued employment during the period specified at the date of grant of the Retention Bonus. Any Retention Bonus granted is paid as soon as practicable after the date of grant contingent on an undertaking from Yossi Abu not to resign from his role in the specified period. The maximum amount of a Retention Bonus is three months' salary.

There is no performance criteria for the proposed retention Bonus neither any deferral, period. it is considered that support should not be given to Bonus plans that do not lay out clear performance criteria, targets and conditions. An oppose is recommended.

*Vote Cast: Oppose*

## **IMPERIAL BRANDS PLC AGM - 01-02-2023**

*2. Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. The CEO salary is in line with the workforce. However, the CEO salary is in the upper quartile of the competitor group which raises concerns for potential excessiveness. The changes in CEO pay over the last five years are not considered in line with the Company's TSR performance over the same period. The CEO's realized variable pay for the year under review is considered excessive at 323.3% of salary( Annual Bonus: 167.9% & LTIP: 155.4%). The ratio of CEO pay compared to average employee pay is unacceptable at 140:1; it is recommended that the ratio does not exceed 20:1.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

*Vote Cast: Oppose*

*Results: For: 97.4, Abstain: 0.1, Oppose/Withhold: 2.5,*

#### *5. Re-elect Susan Clark - Senior Independent Director*

Senior Independent Director. Considered independent. In addition, Ms Clark is the Chair of the Remuneration Committee. There are serious concerns regarding the implementation of remuneration at the company and it is considered that chair of the remuneration committee should be held accountable for it when considering re-election. Therefore opposition is recommended.

*Vote Cast: Oppose*

*Results: For: 98.0, Abstain: 0.1, Oppose/Withhold: 1.9,*

#### *9. Re-elect Bob Kunze-Concewitz - Non-Executive Director*

Independent Non-Executive Director. There are concerns over a potential conflict of interest between his role as an Executive in a listed company and membership of the remuneration committee. An abstain vote is recommended.

*Vote Cast: Abstain*

*Results: For: 99.2, Abstain: 0.5, Oppose/Withhold: 0.3,*

#### *12. Re-elect Jonathan Stanton - Non-Executive Director*

Independent Non-Executive Director. There are concerns over a potential conflict of interest between his role as an Executive in a listed company and membership of the remuneration committee. An abstain vote is recommended.

*Vote Cast: Abstain*

*Results: For: 99.0, Abstain: 0.5, Oppose/Withhold: 0.5,*

#### *13. Re-appoint Ernst & Young LLP (EY) as auditor of the Company*

EY proposed. Non-audit fees represented 7.69% of audit fees during the year under review and 5.58% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm

that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

*Vote Cast: Oppose*

*Results: For: 99.5, Abstain: 0.1, Oppose/Withhold: 0.4,*

#### *15. Approve the Imperial Brands Share Matching Scheme 2023*

It is proposed to the shareholders to approve the Company's Share Matching Scheme 2023 (the New SMS). Eligible to participate in the new plan will be selected employees of Imperial Brands PLC and its subsidiaries (the 'Group') (other than executive directors, who are not eligible to participate in the New SMS). Under the plan the Remuneration Committee could invite employees to invest any portion of their gross bonus in the acquisition of ordinary shares of the Company ('Lodged Shares'). Alternatively, if permitted by the Committee, eligible employees may also 'pledge' existing Imperial Brands shares that they hold as Lodged Shares. Any eligible employee who accepts an invitation to acquire Lodged Shares (a 'Participant') will be granted an award of additional shares ('Additional Shares'). The number of Additional Shares granted to a Participant under their award will be matched on a one for one basis to the number of Lodged Shares acquired or, if permitted by the Committee. A Participant will be allocated an entitlement to acquire the Additional Shares on such basis as determined by the Committee as soon as practicable following confirmation of the number of Lodged Shares acquired by or on behalf of or, if permitted by the Committee, 'pledged' by the Participant. The allocation may take into account such factors as the Committee determines appropriate (such as the Participant's length of service or job grade). The vesting of an Additional Share may be subject to the satisfaction of performance condition(s) which will be determined by the Committee at the date of allocation. Subject to the satisfaction of any applicable performance criteria, an Additional Share will vest on the date determined by the Committee at the time the Additional Share was allocated (ordinarily, three years after the date of allocation). A Participant shall be entitled to retain a time pro-rated proportion of any Additional Shares following their death or cessation of employment by reason of injury, ill-health, disability, redundancy or where the member of the Group or business or part of the business which employs the Participant is sold to a company outside the Group. In such cases, the Participant's time pro-rated Additional Shares will vest on their normal vesting date or, if determined by the Committee, as soon as practicable following the date of the Participant's cessation of employment. Except in the cases noted above, unless otherwise determined by the Committee and on such additional terms as the Board thinks fit, Additional Shares will otherwise lapse on cessation of employment

Plans to increase employee shareholding are considered to be a positive governance practice, as they can contribute to alignment between employees and shareholders. On the other hand, the plan refers to selected employees which are usually employees on managerial position. This mean that the plan is not open to all employees of the Company. It is considered that support should not be given to stock or share option plans that do not lay out clear performance criteria, targets and conditions. On balance, opposition is recommended.

*Vote Cast: Oppose*

*Results: For: 99.5, Abstain: 0.1, Oppose/Withhold: 0.5,*

#### *19. Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

*Results: For: 99.3, Abstain: 0.1, Oppose/Withhold: 0.6,*

## TELEFONICA BRASIL SA EGM - 01-02-2023

### *1. Approve Evaluation Consultant*

PriceWaterhouseCoopers Auditores Independentes Ltda proposed as consultant for the purpose of evaluating the shareholder equity of the incorporated company. This consultant is not considered to be independent of the company as it is also the company's audit firm. It is considered that such evaluations should be conducted by firms without any relationship with the company. Opposition is recommended.

*Vote Cast: Oppose*

### *2. Approve Protocol and Justification*

It is proposed to approve the protocol and justification for the merger by incorporation of a wholly owned subsidiary into the company. The company states that it is proposed for the purpose of simplifying the Company's corporate structure, as well as benefit operations and businesses. The protocol and justification for the merger contains full details of the transaction. However, the evaluation consultant, PriceWaterhouseCoopers Auditores Independentes Ltda is not considered to be independent of the company as it is also the company's audit firm. It is considered that such evaluations should be conducted by firms without any relationship with the company. Opposition is recommended.

*Vote Cast: Oppose*

### *3. Approve Evaluation report*

The report has been disclosed timely prior to the meeting. The consultant states in the valuation report that the net equity of the acquired Company is BRL 84,165,098.62 as of 31 October 2022. Although no serious concerns have been identified, opposition is recommended as this report was prepared by the Company's auditor, while it would be preferred that it be conducted by an external and independent firm.

*Vote Cast: Oppose*

### *4. Approve Acquisition*

It is proposed to approve the merger by incorporation of Garliava into the Company. The acquired company is already a subsidiary of the Company. Although no serious concerns have been identified, opposition is recommended as this report was prepared by the Company's auditor, while it would be preferred that it be conducted by an external and independent firm.

*Vote Cast: Oppose*

## CAPRICORN ENERGY PLC EGM - 01-02-2023

### *1. Shareholder Resolution: Mr. Simon Thomson be removed from office as a director of the Company with immediate effect.*

This item sparks from the disagreement by the proponent shareholder on the upcoming merger between Capricorn Energy PLC (Capricorn) and NewMed Energy LP (NewMed). Although both parties argue on the benefits and the disadvantages of the upcoming merger proposal, none makes a clear argument of how the Company will invest in the transition to a low carbon energy system, which should have a direct impact on the company's planning ahead. Upon the merger, Capricorn will hold a stake of Leviathan, one of the largest gas fields in the Mediterranean Sea, and it is hard to see how this will be linked with decoupling from fossil fuels. Fossil fuels

financing is risky, with the marginal cost of renewables being cheaper, and energy security being increasingly seen in terms of non-fossil sources. Furthermore, the proposals by Palliser would raise independence concerns with regards to the proposed directors, which have not been significantly addressed. Also the merger itself will be proposed for voting at a separated shareholder meeting, which makes the proposal of rejecting the merger by taking over the board redundant. On this basis, opposition is recommended.

*Vote Cast: Oppose*

*2. Shareholder Resolution: Mr. James Smith be removed from office as a director of the Company with immediate effect.*

This item sparks from the disagreement by the proponent shareholder on the upcoming merger between Capricorn Energy PLC (Capricorn) and NewMed Energy LP (NewMed). Although both parties argue on the benefits and the disadvantages of the upcoming merger proposal, none makes a clear argument of how the Company will invest in the transition to a low carbon energy system, which should have a direct impact on the company's planning ahead. Upon the merger, Capricorn will hold a stake of Leviathan, one of the largest gas fields in the Mediterranean Sea, and it is hard to see how this will be linked with decoupling from fossil fuels. Fossil fuels financing is risky, with the marginal cost of renewables being cheaper, and energy security being increasingly seen in terms of non-fossil sources. Furthermore, the proposals by Palliser would raise independence concerns with regards to the proposed directors, which have not been significantly addressed. Also the merger itself will be proposed for voting at a separated shareholder meeting, which makes the proposal of rejecting the merger by taking over the board redundant. On this basis, opposition is recommended.

*Vote Cast: Oppose*

*3. Shareholder Resolution: Ms. Nicoletta Giadrossi be removed from office as a director of the Company with immediate effect.*

This item sparks from the disagreement by the proponent shareholder on the upcoming merger between Capricorn Energy PLC (Capricorn) and NewMed Energy LP (NewMed). Although both parties argue on the benefits and the disadvantages of the upcoming merger proposal, none makes a clear argument of how the Company will invest in the transition to a low carbon energy system, which should have a direct impact on the company's planning ahead. Upon the merger, Capricorn will hold a stake of Leviathan, one of the largest gas fields in the Mediterranean Sea, and it is hard to see how this will be linked with decoupling from fossil fuels. Fossil fuels financing is risky, with the marginal cost of renewables being cheaper, and energy security being increasingly seen in terms of non-fossil sources. Furthermore, the proposals by Palliser would raise independence concerns with regards to the proposed directors, which have not been significantly addressed. Also the merger itself will be proposed for voting at a separated shareholder meeting, which makes the proposal of rejecting the merger by taking over the board redundant. On this basis, opposition is recommended.

*Vote Cast: Oppose*

*4. Shareholder Resolution: Mr. Keith Lough be removed from office as a director of the Company with immediate effect*

This item sparks from the disagreement by the proponent shareholder on the upcoming merger between Capricorn Energy PLC (Capricorn) and NewMed Energy LP (NewMed). Although both parties argue on the benefits and the disadvantages of the upcoming merger proposal, none makes a clear argument of how the Company will invest in the transition to a low carbon energy system, which should have a direct impact on the company's planning ahead. Upon the merger, Capricorn will hold a stake of Leviathan, one of the largest gas fields in the Mediterranean Sea, and it is hard to see how this will be linked with decoupling from fossil fuels. Fossil fuels financing is risky, with the marginal cost of renewables being cheaper, and energy security being increasingly seen in terms of non-fossil sources. Furthermore, the proposals by Palliser would raise independence concerns with regards to the proposed directors, which have not been significantly addressed. Also the merger itself will be proposed for voting at a separated later shareholder meeting, which makes the proposal of rejecting the merger by taking over the board redundant. On this basis, opposition is recommended.

*Vote Cast: Oppose*

*5. Shareholder Resolution: Mr. Peter Kallos be removed from office as a director of the Company with immediate effect.*

This item sparks from the disagreement by the proponent shareholder on the upcoming merger between Capricorn Energy PLC (Capricorn) and NewMed Energy LP (NewMed). Although both parties argue on the benefits and the disadvantages of the upcoming merger proposal, none makes a clear argument of how the Company will invest in the transition to a low carbon energy system, which should have a direct impact on the company's planning ahead. Upon the merger, Capricorn will hold a stake of Leviathan, one of the largest gas fields in the Mediterranean Sea, and it is hard to see how this will be linked with decoupling from fossil fuels. Fossil fuels financing is risky, with the marginal cost of renewables being cheaper, and energy security being increasingly seen in terms of non-fossil sources. Furthermore, the proposals by Palliser would raise independence concerns with regards to the proposed directors, which have not been significantly addressed. Also the merger itself will be proposed for voting at a separated shareholder meeting, which makes the proposal of rejecting the merger by taking over the board redundant. On this basis, opposition is recommended.

*Vote Cast: Oppose*

*6. Shareholder Resolution: Ms. Alison Wood be removed from office as a director of the Company with immediate effect*

This item sparks from the disagreement by the proponent shareholder on the upcoming merger between Capricorn Energy PLC (Capricorn) and NewMed Energy LP (NewMed). Although both parties argue on the benefits and the disadvantages of the upcoming merger proposal, none makes a clear argument of how the Company will invest in the transition to a low carbon energy system, which should have a direct impact on the company's planning ahead. Upon the merger, Capricorn will hold a stake of Leviathan, one of the largest gas fields in the Mediterranean Sea, and it is hard to see how this will be linked with decoupling from fossil fuels. Fossil fuels financing is risky, with the marginal cost of renewables being cheaper, and energy security being increasingly seen in terms of non-fossil sources. Furthermore, the proposals by Palliser would raise independence concerns with regards to the proposed directors, which have not been significantly addressed. Also the merger itself will be proposed for voting at a separated shareholder meeting, which makes the proposal of rejecting the merger by taking over the board redundant. On this basis, opposition is recommended.

*Vote Cast: Oppose*

*7. Shareholder Resolution: Mr. Luis Araujo be removed from office as a director of the Company with immediate effect.*

This item sparks from the disagreement by the proponent shareholder on the upcoming merger between Capricorn Energy PLC (Capricorn) and NewMed Energy LP (NewMed). Although both parties argue on the benefits and the disadvantages of the upcoming merger proposal, none makes a clear argument of how the Company will invest in the transition to a low carbon energy system, which should have a direct impact on the company's planning ahead. Upon the merger, Capricorn will hold a stake of Leviathan, one of the largest gas fields in the Mediterranean Sea, and it is hard to see how this will be linked with decoupling from fossil fuels. Fossil fuels financing is risky, with the marginal cost of renewables being cheaper, and energy security being increasingly seen in terms of non-fossil sources. Furthermore, the proposals by Palliser would raise independence concerns with regards to the proposed directors, which have not been significantly addressed. Also the merger itself will be proposed for voting at a separated shareholder meeting, which makes the proposal of rejecting the merger by taking over the board redundant. On this basis, opposition is recommended.

*Vote Cast: Oppose*

*8. Shareholder Resolution: Hesham Mekawi be appointed as a director of the Company with immediate effect*



This item sparks from the disagreement by the proponent shareholder on the upcoming merger between Capricorn Energy PLC (Capricorn) and NewMed Energy LP (NewMed). Although both parties argue on the benefits and the disadvantages of the upcoming merger proposal, none makes a clear argument of how the Company will invest in the transition to a low carbon energy system, which should have a direct impact on the company's planning ahead. Upon the merger, Capricorn will hold a stake of Leviathan, one of the largest gas fields in the Mediterranean Sea, and it is hard to see how this will be linked with decoupling from fossil fuels. Fossil fuels financing is risky, with the marginal cost of renewables being cheaper, and energy security being increasingly seen in terms of non-fossil sources. Furthermore, the proposals by Palliser would raise independence concerns with regards to the proposed directors, which have not been significantly addressed. Also the merger itself will be proposed for voting at a separate shareholder meeting, which makes the proposal of rejecting the merger by taking over the board redundant. On 10 January, it was made available to the public that the Company has offered to Palliser the option to propose some directors to the Board as its representatives, which could be seen as a sensitive solution to include some of the proponent's issues in the merger ahead of the meeting for its approval or rejection by shareholders. Abstention is therefore recommended, while shareholders receive a final response on the potential Palliser's representatives on the board.

Vote Cast: *Abstain*

Results: For: 98.3, Abstain: 0.9, Oppose/Withhold: 0.8,

#### *9. Shareholder Resolution: Mr. Christopher Cox be appointed as a director of the Company with immediate effect*

This item sparks from the disagreement by the proponent shareholder on the upcoming merger between Capricorn Energy PLC (Capricorn) and NewMed Energy LP (NewMed). Although both parties argue on the benefits and the disadvantages of the upcoming merger proposal, none makes a clear argument of how the Company will invest in the transition to a low carbon energy system, which should have a direct impact on the company's planning ahead. Upon the merger, Capricorn will hold a stake of Leviathan, one of the largest gas fields in the Mediterranean Sea, and it is hard to see how this will be linked with decoupling from fossil fuels. Fossil fuels financing is risky, with the marginal cost of renewables being cheaper, and energy security being increasingly seen in terms of non-fossil sources. Furthermore, the proposals by Palliser would raise independence concerns with regards to the proposed directors, which have not been significantly addressed. Also the merger itself will be proposed for voting at a separate shareholder meeting, which makes the proposal of rejecting the merger by taking over the board redundant. On 10 January, it was made available to the public that the Company has offered to Palliser the option to propose some directors to the Board as its representatives, which could be seen as a sensitive solution to include some of the proponent's issues in the merger ahead of the meeting for its approval or rejection by shareholders. Abstention is therefore recommended, while shareholders receive a final response on the potential Palliser's representatives on the board.

Vote Cast: *Abstain*

Results: For: 98.3, Abstain: 0.9, Oppose/Withhold: 0.8,

#### *10. Shareholder Resolution: Ms. Maria Gordon be appointed as a director of the Company with immediate effect.*

This item sparks from the disagreement by the proponent shareholder on the upcoming merger between Capricorn Energy PLC (Capricorn) and NewMed Energy LP (NewMed). Although both parties argue on the benefits and the disadvantages of the upcoming merger proposal, none makes a clear argument of how the Company will invest in the transition to a low carbon energy system, which should have a direct impact on the company's planning ahead. Upon the merger, Capricorn will hold a stake of Leviathan, one of the largest gas fields in the Mediterranean Sea, and it is hard to see how this will be linked with decoupling from fossil fuels. Fossil fuels financing is risky, with the marginal cost of renewables being cheaper, and energy security being increasingly seen in terms of non-fossil sources. Furthermore, the proposals by Palliser would raise independence concerns with regards to the proposed directors, which have not been significantly addressed. Also the merger itself will be proposed for voting at separate shareholder meeting, which makes the proposal of rejecting the merger by taking over the board redundant. On 10 January, it was made available to the public that the Company has offered to Palliser the option to propose some directors to the Board as its representatives, which could be seen as a sensitive solution to include some of the proponent's issues in the merger ahead of the meeting for its approval or rejection by shareholders. Abstention is therefore recommended, while shareholders receive a final response on the potential Palliser's representatives on the board.

Vote Cast: *Abstain*

Results: For: 98.3, Abstain: 0.9, Oppose/Withhold: 0.8,

*11. Shareholder Resolution: Mr. Craig van de Laan be appointed as a director of the Company with immediate effect.*

This item sparks from the disagreement by the proponent shareholder on the upcoming merger between Capricorn Energy PLC (Capricorn) and NewMed Energy LP (NewMed). Although both parties argue on the benefits and the disadvantages of the upcoming merger proposal, none makes a clear argument of how the Company will invest in the transition to a low carbon energy system, which should have a direct impact on the company's planning ahead. Upon the merger, Capricorn will hold a stake of Leviathan, one of the largest gas fields in the Mediterranean Sea, and it is hard to see how this will be linked with decoupling from fossil fuels. Fossil fuels financing is risky, with the marginal cost of renewables being cheaper, and energy security being increasingly seen in terms of non-fossil sources. Furthermore, the proposals by Palliser would raise independence concerns with regards to the proposed directors, which have not been significantly addressed. Also the merger itself will be proposed for voting at a separate shareholder meeting, which makes the proposal of rejecting the merger by taking over the board redundant. On 10 January, it was made available to the public that the Company has offered to Palliser the option to propose some directors to the Board as its representatives, which could be seen as a sensitive solution to include some of the proponent's issues in the merger ahead of the meeting for its approval or rejection by shareholders. Abstention is therefore recommended, while shareholders receive a final response on the potential Palliser's representatives on the board.

Vote Cast: *Abstain*

Results: For: 98.3, Abstain: 0.9, Oppose/Withhold: 0.8,

*12. Shareholder Resolution: Mr. Richard Herbert be appointed as a director of the Company with immediate effect*

This item sparks from the disagreement by the proponent shareholder on the upcoming merger between Capricorn Energy PLC (Capricorn) and NewMed Energy LP (NewMed). Although both parties argue on the benefits and the disadvantages of the upcoming merger proposal, none makes a clear argument of how the Company will invest in the transition to a low carbon energy system, which should have a direct impact on the company's planning ahead. Upon the merger, Capricorn will hold a stake of Leviathan, one of the largest gas fields in the Mediterranean Sea, and it is hard to see how this will be linked with decoupling from fossil fuels. Fossil fuels financing is risky, with the marginal cost of renewables being cheaper, and energy security being increasingly seen in terms of non-fossil sources. Furthermore, the proposals by Palliser would raise independence concerns with regards to the proposed directors, which have not been significantly addressed. Also the merger itself will be proposed for voting at a separate shareholder meeting, which makes the proposal of rejecting the merger by taking over the board redundant. On 10 January, it was made available to the public that the Company has offered to Palliser the option to propose some directors to the Board as its representatives, which could be seen as a sensitive solution to include some of the proponent's issues in the merger ahead of the meeting for its approval or rejection by shareholders. Abstention is therefore recommended, while shareholders receive a final response on the potential Palliser's representatives on the board.

Vote Cast: *Abstain*

Results: For: 98.3, Abstain: 0.9, Oppose/Withhold: 0.8,

*13. Shareholder Resolution: Mr. Tom Pitts be appointed as a director of the Company with immediate effect.*

This item sparks from the disagreement by the proponent shareholder on the upcoming merger between Capricorn Energy PLC (Capricorn) and NewMed Energy LP (NewMed). Although both parties argue on the benefits and the disadvantages of the upcoming merger proposal, none makes a clear argument of how the Company will invest in the transition to a low carbon energy system, which should have a direct impact on the company's planning ahead. Upon the merger, Capricorn will hold a stake of Leviathan, one of the largest gas fields in the Mediterranean Sea, and it is hard to see how this will be linked with decoupling from fossil fuels. Fossil fuels financing is risky, with the marginal cost of renewables being cheaper, and energy security being increasingly seen in terms of non-fossil sources. Furthermore, the proposals by Palliser would raise independence concerns with regards to the proposed directors, which have not been significantly addressed. Also the merger itself will be proposed for voting at a separate shareholder meeting, which makes the proposal of rejecting the merger by taking over the board redundant. On 10 January, it was made available to the public that the Company has offered to Palliser the option to propose some directors to the Board as its representatives, which could be seen as a sensitive solution to include some of the proponent's issues in the merger ahead of the meeting for its approval or rejection by shareholders. Abstention is therefore recommended, while shareholders receive a final response on the potential Palliser's representatives on the board.

Vote Cast: *Abstain*

Results: For: 98.3, Abstain: 0.9, Oppose/Withhold: 0.8,

## **ACCENTURE PLC AGM - 01-02-2023**

### *1b. Elect Nancy McKinstry - Non-Executive Director*

Independent Non-Executive Director. Although there are concerns over potential aggregate time commitments, this director has attended all Board and committee meetings during the year under review. The Company has not disclosed the steps taken after significant opposition (14.19%) was registered at the previous AGM to the appointment of Ms. McKinstry. On balance, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 75.6, Abstain: 0.4, Oppose/Withhold: 24.0,

### *1d. Elect Gilles C. Pélisson - Senior Independent Director*

Senior Independent Director. Not considered independent owing to a tenure of over nine years. It is considered that a Lead Independent Director should be independent, in order to fulfil the responsibilities assigned to that role.

Vote Cast: *Oppose*

Results: For: 98.8, Abstain: 0.1, Oppose/Withhold: 1.0,

### *1e. Elect Paula A. Price - Non-Executive Director*

Non-Executive Director, chair of the audit committee. At the company, there is no external whistle-blowing hotline. This suggests that such concerns that should be raised by a whistle-blower are dealt with internally, which may increase the risk of such issues not being followed up or escalating to a level where the higher was the level of the misconduct, the more likely is the issue to be concealed. On this basis, and on the potential unforeseeable consequences for the company, opposition is recommended to the re-election of the chair of the audit committee, who is considered to be accountable for the concerns with the whistle-blowing reporting structure.

Vote Cast: *Oppose*

Results: For: 98.5, Abstain: 0.1, Oppose/Withhold: 1.4,

### *1g. Elect Arun Sarin - Non-Executive Director*

Chair of the Sustainability Committee. The Chair of the Sustainability Committee is considered to be accountable for the Company's sustainability programme, and the Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability. The Company has not disclosed the steps taken after significant opposition (14.6%) was registered at the previous AGM to the appointment of Mr. Sarin. Therefore opposition is recommended.

Vote Cast: *Oppose*

Results: For: 98.5, Abstain: 0.2, Oppose/Withhold: 1.3,

### *1h. Elect Julie Sweet - Chair & Chief Executive*

Chair and CEO. Combined roles at the head of the Company. There should be a clear division of responsibilities at the head of the Company between the running of the board and the executive responsibility for the running of the Company's business. No one individual should have unfettered powers of decision. Combining the two roles in one person represents a concentration of power that is potentially detrimental to board balance, effective debate, and board appraisal.

Vote Cast: *Oppose*

Results: For: 93.9, Abstain: 0.6, Oppose/Withhold: 5.5,

## *2. Advisory Vote on Executive Compensation*

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: ADB. Based on this rating, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 90.3, Abstain: 0.2, Oppose/Withhold: 9.5,

## *4. Appoint the Auditors*

KPMG proposed. Non-audit fees represented 5.52% of audit fees during the year under review and 5.77% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Oppose*

Results: For: 94.8, Abstain: 0.2, Oppose/Withhold: 5.0,

## *6. Authorise the Board to Waive Pre-emptive Rights*

It is proposed to exclude pre-emption rights on shares issued over a period of 18 months. The corresponding authority for issuing shares without pre-emptive rights, requested in a previous proposal, does not exceed guidelines (10%). However it is considered that shareholders should be allowed to vote on such resolutions annually. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 98.5, Abstain: 0.3, Oppose/Withhold: 1.2,

## **EVN AG AGM - 02-02-2023**

### *5. Appoint BDO Austria GmbH as the Auditors*

BDO Austria GmbH proposed. Non-audit fees represented 62.00% of audit fees during the year under review and 43.16% on a two-year aggregate basis. This level of non-audit fees raises major concerns about the independence of the statutory auditor.

Vote Cast: *Oppose*

### *6. Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

Vote Cast: *Abstain*

## THE SAGE GROUP PLC AGM - 02-02-2023

### 2. *Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. CEO salary is in line with the workforce as the CEO salary increased by 2.2% for the year under review and the workforce salary increase by 4.2%. The CEO's salary is in the upper quartile of the PIRC's comparative group which raises concerns over the excessiveness of his pay. The changes in CEO total pay under the last five years are considered in line with changes in TSR during the same period. CEO awards decreased by -1.62% in the last five years were the TSR increased by 2.31% in the same period. Total variable pay for the year under review was considered appropriate at approximately 193.5% of salary ( Annual Bonus: 154% and PSP: 39.5%) for the CEO. The ratio of CEO pay compared to average employee pay is not considered acceptable, standing at 29:1. It is recommended that CEO pay ratio to be at 20:1

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 98.7, Abstain: 0.1, Oppose/Withhold: 1.2,

### 10. *Re-elect Drummond Hall - Senior Independent Director*

Senior Independent Director. Not considered independent due to a tenure of over nine years. It is considered that a Senior Independent Director should be independent, in order to fulfil the responsibilities assigned to that role. Therefore, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 97.4, Abstain: 0.1, Oppose/Withhold: 2.5,

### 14. *Re-appoint Ernst & Young LLP as auditor to the Company*

EY proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY

or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

Vote Cast: *Oppose*

Results: For: 99.4, Abstain: 0.0, Oppose/Withhold: 0.5,

### *22. Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 99.0, Abstain: 0.3, Oppose/Withhold: 0.7,

### *23. Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 99.4, Abstain: 0.0, Oppose/Withhold: 0.6,

## **FOCUSRITE PLC AGM - 03-02-2023**

### *1. Receive the Annual Report*

Disclosure is adequate and the Annual report was made available sufficiently before the meeting. The financial statements have been audited and unqualified. Although not required to do so under AIM listing regulations, it is considered best practice for the Remuneration report to be submitted to a shareholder vote. As the Company has failed to do this, an oppose vote is recommended.

Vote Cast: *Oppose*

### *3. Re-elect Philip Dudderidge - Chair (Non Executive)*

Chair. The Chair is not considered to be independent owing to a tenure of over nine years on the Board. In addition, it is a generally accepted norm of good practice that a Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Being a non-independent Chair is considered to be incompatible with this. Oppose vote is therefore recommended.

Vote Cast: *Oppose*

### *9. Appoint the Auditors and Allow the Board to Determine their Remuneration*

KPMG proposed. Non-audit fees represented 10.57% of audit fees during the year under review and 4.05% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor. Therefore, abstention is recommended.

*Vote Cast: Abstain*

*12. Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

*Vote Cast: Oppose*

*13. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

**ALLERGY THERAPEUTICS PLC EGM - 07-02-2023**

*3. Re-elect Anthony Parker - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder, Southern Fox. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*4. Re-elect Zheqing (Simon) Shen - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder, ZQ Capital Management Limited. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*7. Re-elect Peter Jensen - Chair (Non Executive)*

Chair. The Chair is not considered to be independent owing to a tenure of over nine years on the Board. In addition, it is a generally accepted norm of good practice that a Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Being a non-independent Chair is considered to be incompatible with this. Oppose vote is therefore recommended.

*Vote Cast: Oppose*

#### *8. Re-appoint BDO as the Auditors of the Company*

BDO proposed. It is noted that the Company has not finalized the Annual Report and the Auditor Report for the financial year ending on 30 September 2022. This led to an absence of data at the time for the Auditors remuneration which make the calculation of the non-audit fees as percentage of audit fees not possible. It will be preferable that the resolution for the Auditors election to be proposed in the upcoming meeting when the Company will propose the approval of the Annual Report and the Auditors Report. Due to the lack of disclosure of the audit fees paid to the auditor an abstain vote is recommended.

*Vote Cast: Abstain*

#### *9. Allow the Board to Determine the Auditor's Remuneration*

It is noted that the Company has not finalized the Annual Report and the Auditor Report for the financial year ending on 30 September 2022. This led to an absence of data at the time for the Auditors remuneration which make the calculation of the non-audit fees as percentage of audit fees not possible. It will be preferable that the resolution for the Auditors remuneration to be proposed in the upcoming meeting when the Company will propose the approval of the Annual Report and the Auditors Report. Due to the lack of disclosure of the audit fees paid to the auditor an abstain vote is recommended.

*Vote Cast: Abstain*

### **EMERSON ELECTRIC CO. AGM - 07-02-2023**

#### *1a. Elect Martin S. Craighead - Non-Executive Director*

Non-Executive Director. Not considered independent due to cross directorship with another director. He was the Chief Executive Officer of Baker Hughes, Inc. until 2017, where Mr. William H. Easter III was a Non Executive Director. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*Results: For: 92.2, Abstain: 0.2, Oppose/Withhold: 7.6,*

#### *1b. Elect Gloria A. Flach - Non-Executive Director*

Non-Executive Director. Not considered independent as the director has a cross directorship with another director. Mr. James Turley is a Non Executive Director of Northrup Corporation, where Ms. Gloria A. Flach was a Vice President Chief Operations Officer until 2017. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*Results: For: 92.5, Abstain: 0.2, Oppose/Withhold: 7.3,*

#### *1c. Elect Matthew S. Levatich - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*Results: For: 92.6, Abstain: 0.2, Oppose/Withhold: 7.2,*

#### *2. Appoint the Auditors*

KPMG proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.



Vote Cast: *Oppose*

Results: For: 94.7, Abstain: 0.2, Oppose/Withhold: 5.1,

### 3. *Advisory Vote on Executive Compensation*

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: ADB. Based on this rating, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 91.2, Abstain: 0.5, Oppose/Withhold: 8.3,

## SIEMENS ENERGY AG AGM - 07-02-2023

### 3.1. *Approve Discharge Of Management Board Member Christian Bruch For Fiscal Year 2020/21*

The company's sustainability policies and practice are not considered to be adequate in order to minimize material risks linked to sustainability. As Christian Bruch is the Chief Sustainability Officer, he is considered responsible for sustainability polices. As such, Abstention is recommended on the discharge.

Vote Cast: *Abstain*

Results: For: 99.8, Abstain: 0.0, Oppose/Withhold: 0.2,

### 4.1. *Approve Discharge Of Supervisory Board Member Joe Kaeser For Fiscal Year 2021/22*

Standard proposal. The company's sustainability policies and practice are not considered to be adequate in order to minimize material risks linked to sustainability. Joe Kaeser is considered accountable for sustainability policies as he is Chair of the Sustainability Committee. As such, Abstention is recommended on the discharge

Vote Cast: *Abstain*

Results: For: 97.7, Abstain: 0.0, Oppose/Withhold: 2.3,

### 6. *Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. There are concerns regarding excess as the total variable remuneration exceeded 200% of the salary. The Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, opposition is recommended based on excessive remuneration.

Vote Cast: *Oppose*

Results: For: 96.7, Abstain: 0.0, Oppose/Withhold: 3.3,

### 12. *Authorise Share Repurchase Program and Reissuance or Cancellation of Repurchased Shares*

It is proposed to authories the Board to purchase Company's shares until February 6, 2028. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 72.9, Abstain: 0.0, Oppose/Withhold: 27.1,

## **DISTRIBUCION INTEGRAL LOGISTA HOLDINGS AGM - 07-02-2023**

### *6. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares for 20% and five years. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. The Company has stated that this resolution may authorise the Board of Directors to allocate all or part of its repurchased shares to remuneration schemes. However, this is not considered to be sufficient, as it includes only part of the requested authority. As no clear justification was provided by the Board regarding the full use of the authority, an oppose vote is recommended.

*Vote Cast: Oppose*

### *7.1. Elect Jennifer Susan Ramsey - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder: Imperial Brands PLC. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

### *7.2. Elect John Matthew Downing - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder: Imperial Brands PLC. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

### *8. Approve Remuneration Policy*

It is proposed to approve the remuneration policy with a binding vote. Variable remuneration does not seem to be consistently capped and as such there are excessiveness concerns as the total potential variable remuneration may exceed 200% of the salary. The Company has not fully disclosed quantified targets for the performance criteria of its variable remuneration component. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. Nevertheless, opposition is recommended based on potential excessive variable remuneration.

*Vote Cast: Oppose*

## **FUTURE PLC AGM - 08-02-2023**

### *1. Receive the Annual Report*

The annual report was made available sufficiently before the meeting and has been audited and certified. However, there are serious concerns surrounding the sustainability policies and practice at the company. Therefore, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, however the annual report fails to address these concerns and it is recommended to oppose this resolution.

Vote Cast: *Oppose*

Results: For: 99.3, Abstain: 0.1, Oppose/Withhold: 0.6,

### 3. *Approve Remuneration Policy*

Potential awards that can be granted to Executive Directors are considered excessive as they may exceed 200% of base salary. The annual bonus (up to 200% of base salary) is paid 50% in cash and 50% is deferred to shares for a two-year period in line with best practice. For FY 2023, the performance measures will be Adjusted Operating Profit (90%) and ESG metrics (10%). The company's Performance Share Plan (PSP) is capped at 200% of base salary or 300% of base salary in exceptional circumstances and two equally-weighted performance targets of Adjusted EPS growth and Absolute TSR performance. The company has proposed to remove the Value Creation Plan (VCP) in its proposed remuneration policy. Malus and claw back provisions applied to all variable pay.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). The 'binding' pay policy vote has not been effective. The disappointment with the policy vote comes across in the levels of dissenting votes on remuneration reports, which disclose outcomes under previously agreed policies. When there are contentious circumstances with executives leaving the instrument that really matters is the service contract. As such, the concept of alignment with shareholders' for pay purposes is a fallacy, because the risk and responsibilities are different. Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 87.2, Abstain: 5.9, Oppose/Withhold: 6.8,

### 4. *Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. The CEO's salary was in the median of the comparator group. The CEO's salary did not increase during the year under review. The variable awards paid during the year under review were not considered excessive, at 176% of base salary. The ratio of CEO pay compared to average employee pay is excessive at 28:1, it is recommended that the ratio does not exceed 20:1.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 77.3, Abstain: 6.9, Oppose/Withhold: 15.8,

### 5. *Re-elect Richard Huntingford - Chair (Non Executive)*

Independent Non-Executive Chair. The Chair is also chairing another company within the FTSE 350 index. It is considered that a chair cannot effectively represent two corporate cultures. The possibility of having to commit additional time to the role in times of crisis is ever present. Given this, a Chair should focus his attention onto the only one FTSE 350 Company.

Vote Cast: *Oppose*

Results: For: 89.0, Abstain: 0.7, Oppose/Withhold: 10.3,

#### *6. Re-elect Zillah Byng-Thorne - Chief Executive*

Chief Executive. Acceptable service contract provisions. However, it is noted that this director is also a member of the Nomination Committee. It is important that this committee be exclusively comprised of independent directors in order to ensure an equitable and unprejudiced appointment process. Membership of the committee by the CEO raises serious concerns in this regard and therefore an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 95.6, Abstain: 0.0, Oppose/Withhold: 4.4,

#### *9. Re-elect Hugo Drayton - Senior Independent Director*

Senior Independent Director and Chair of the Sustainability Committee. Considered independent. The Chair of the Sustainability Committee is considered to be accountable for the Company's sustainability programme, and there are concerns over the Company's sustainability policies and practice.

Vote Cast: *Oppose*

Results: For: 97.1, Abstain: 0.0, Oppose/Withhold: 2.9,

#### *18. Approve 2023 Performance Share Plan*

The Board proposes the approval of the 2023 Performance Share Plan. Under the plan, participants will be allotted shares or rights to shares. The Remuneration Committee will, at its discretion select participants, who will be senior employees. Performance targets have not been quantified at this time, which makes an informed assessment impossible and may lead to (partial) payment against (partial) failure.

LTIP based schemes are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the Company (creating capital and - lawful - dividends). They act as a complex and opaque hedge against absolute Company underperformance and long-term share price falls. They are also a significant factor in reward for failure.

Vote Cast: *Oppose*

Results: For: 93.6, Abstain: 0.0, Oppose/Withhold: 6.4,

#### *19. Issue Shares for Cash*

The authority sought exceeds the recommended 5% maximum of the Company's issued share capital and expires at the next AGM. An oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 91.5, Abstain: 0.0, Oppose/Withhold: 8.5,

#### *20. Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 10% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that a 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 89.7, Abstain: 0.0, Oppose/Withhold: 10.3,

## GRAINGER PLC AGM - 08-02-2023

### 1. *Receive the Annual Report*

The annual report was made available sufficiently before the meeting and has been audited and certified. However, there are concerns surrounding the sustainability policies and practice at the company and the lack of board level accountability for sustainability issues. Therefore, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, however the annual report fails to address these concerns adequately and therefore this resolution cannot be supported.

Vote Cast: *Abstain*

Results: For: 99.3, Abstain: 0.6, Oppose/Withhold: 0.1,

### 2. *Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. The CEO salary is in line with the workforce since CEO salary increased by 2.5% for the year under review and the workforce salary increased by 2.8%. The CEO salary is in the median of the competitor group. The CEO's total variable pay for the year under review is not considered acceptable at approximately 255.4% (Annual Bonus: 137.9% : LTIP: 117.1% & other: 0.4%). The ratio of CEO pay compared to average employee pay is considered appropriate at 17:1.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 91.8, Abstain: 1.8, Oppose/Withhold: 6.4,

### 3. *Approve Remuneration Policy*

Changes proposed: i) Reduction of the maximum pension provision from 15% to 10% of salary for all Executive Directors (both incumbents and new appointments), ii) Make specific reference to the use of ESG performance metrics in the annual bonus and LTIP sections of the summary Policy table and iii) To set the maximum bonus potential in the summary Policy table to 140% of salary for all Executive Directors, which previously referred to a 140% maximum bonus potential for the CEO and 120% for "other Executive Directors".

Some of the proposed changes are welcomed such as the clarification of the use of ESG performance metrics on the Annual Bonus and the LTIP award, However concerns over the remuneration policy remain on the following: Total potential variable pay could reach 340% of the salary for the CEO and 295% of the salary for the Executives and is deemed excessive since is higher than 200%. Annual Bonus is paid 75% in cash and 25% defer to shares for a three year period. This is not considered adequate it would be preferable 50% of the Bonus to be paid in cash and 50% to defer to shares for at least three years. Long-Term Incentive Plan, the performance metrics are not operating interdependently, such that vesting under the incentive plan is only possible where all threshold targets are met. Performance period is three years which is not considered sufficiently long-term, however, a two year holding period applies which is welcomed. Dividends may accrue on vesting awards from the date of grant. Such rewards misalign shareholders and executive interests as shareholders must subscribe for shares in order to receive dividends whereas participants in the scheme do not. Malus and claw back provisions applied to all variable pay.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). The 'binding' pay policy vote has not been effective. The disappointment with the policy vote comes across in the levels of dissenting votes on remuneration reports, which disclose outcomes under previously agreed policies.

When there are contentious circumstances with executives leaving the instrument that really matters is the service contract. As such, the concept of alignment with shareholders' for pay purposes is a fallacy, because the risk and responsibilities are different. Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 95.1, Abstain: 0.0, Oppose/Withhold: 4.9,

#### 10. *Re-elect Carol Hui - Designated Non-Executive*

Independent Non-Executive Director and Chair of the Sustainability Committee. As the Chair of the Sustainability Committee is considered to be accountable for the Company's sustainability programme, and given that the Company's sustainability policies and practice are not considered to be adequate in order to minimize material risks linked to sustainability, an abstain vote is recommended.

Vote Cast: *Abstain*

Results: For: 97.5, Abstain: 0.5, Oppose/Withhold: 2.0,

#### 12. *Re-appoint KPMG LLP as auditors of the Company*

KPMG proposed. No non-audit fees were paid for the year under review and non-audit fees represents 1.32% of the audit fees on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

Vote Cast: *Oppose*

Results: For: 99.5, Abstain: 0.0, Oppose/Withhold: 0.5,

#### 15. *Issue Shares for Cash*

The authority sought exceeds the recommended 5% maximum of the Company's issued share capital and expires at the next AGM. An oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 94.5, Abstain: 1.8, Oppose/Withhold: 3.7,

**16. Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment**

The Board is seeking approval to issue up to an additional 10% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 93.7, Abstain: 1.8, Oppose/Withhold: 4.5,

**17. Authorise Share Repurchase**

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 99.4, Abstain: 0.1, Oppose/Withhold: 0.5,

**JASA MARGA(INDONESIA HWY CO) EGM - 08-02-2023**

**1. Changes in the Management of the Company**

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

Vote Cast: *Abstain*

**SIEMENS AG AGM - 09-02-2023**

**3.e. Discharge the Board Management Board Member Judith Wiese For Fiscal Year 2021/22**

Standard proposal. The Company's sustainability policies and practice are not considered to be adequate in order to minimize material risks linked to sustainability. A recent class action filed by Jackson, Mississippi suit has accused Siemens of botching contracts and installing faulty water meters which left the citizens without drinkable water in August 2022. The meters were installed in 2010, and the company has already been sued for USD 90 million, about the value of the initial contract, but the city was still left unable to pay for needed repairs. The CEO is considered to have operational responsibility and therefore opposition is recommended.

Vote Cast: *Oppose*

Results: For: 99.6, Abstain: 0.0, Oppose/Withhold: 0.4,

**4.a. Discharge the Board Supervisory Board Member Jim Snabe For Fiscal Year 2021/22**

Standard proposal. The Company's sustainability policies and practice are not considered to be adequate in order to minimize material risks linked to sustainability. As the Chair of the Sustainability Committee, or any member of this committee, is not up for election, the Chair of the board is considered accountable for the Company's sustainability programme. As such, given the concerns over the Company's sustainability practice, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 99.2, Abstain: 0.0, Oppose/Withhold: 0.8,

#### 5. *Appoint the Auditors*

EY proposed. No non-audit fees were paid during the year under review and 0.07% of non-audit fees were paid on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Oppose*

Results: For: 97.6, Abstain: 0.0, Oppose/Withhold: 2.4,

#### 6. *Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. There are concerns regarding excess as the total variable remuneration exceeded 200% of the salary. The Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, opposition is recommended based on excessive remuneration.

Vote Cast: *Oppose*

Results: For: 92.1, Abstain: 0.0, Oppose/Withhold: 7.9,

### **TYSON FOODS INC AGM - 09-02-2023**

#### 1a. *Elect John Tyson - Chair (Non Executive)*

Non-Executive Chair of the Board. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. The Chair has family ties with other board members and is also connected to the controlling shareholder. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 92.2, Abstain: 0.0, Oppose/Withhold: 7.7,

#### 1b. *Elect Les R. Baledge - Non-Executive Director*

Chair of the Nominating and Corporate Governance Committee. Not considered independent as the director was previously employed by the Company as Executive Vice President. There is insufficient independent representation on the Board. As the Chair of the Nominating and Corporate Governance Committee is considered to be accountable for the Company's sustainability programme, and given the concerns over the Company's sustainability policies and practice, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 89.5, Abstain: 0.0, Oppose/Withhold: 10.4,

#### 1f. *Elect Mikel A. Durham - Non-Executive Director*

Non-Executive Director. Not considered independent as the director has a relationship with the Company, which is considered material. There is insufficient independent representation on the Board.



Vote Cast: *Oppose*

Results: For: 96.3, Abstain: 0.0, Oppose/Withhold: 3.6,

*1h. Elect Jonathan D. Mariner - Non-Executive Director*

Non-Executive Director, chair of the audit committee. At the company, there is no external whistle-blowing hotline. This suggests that such concerns that should be raised by a whistle-blower are dealt with internally, which may increase the risk of such issues not being followed up or escalating to a level where the higher was the level of the misconduct, the more likely is the issue to be concealed. On this basis, and on the potential unforeseeable consequences for the company, opposition is recommended to the re-election of the chair of the audit committee, who is considered to be accountable for the concerns with the whistle-blowing reporting structure.

Vote Cast: *Oppose*

Results: For: 99.2, Abstain: 0.0, Oppose/Withhold: 0.7,

*1i. Elect Kevin M. McNamara - Senior Independent Director*

Senior Independent Director. Not considered independent owing to a tenure of over nine years. It is considered that a Senior Independent Director should be independent, in order to fulfil the responsibilities assigned to that role.

Vote Cast: *Oppose*

Results: For: 98.0, Abstain: 0.0, Oppose/Withhold: 2.0,

*1l. Elect Barbara A. Tyson - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder. She is a member of the family of controlling shareholders who hold 70% of the voting power. She served as Vice President of the Company until her retirement in 2002. She served as a consultant to the Company until 2011. Additionally, the director has a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

Results: For: 92.8, Abstain: 0.0, Oppose/Withhold: 7.2,

*1m. Elect Noel White - Vice Chair (Executive)*

Executive Vice Chair, considered to be connected with the controlling shareholder. The level of independence on the Board is not considered to be sufficient to offset the power of an Executive Vice Chair who also has connections on the Board. Where there is a controlling shareholder, it would be best practice to have an independent Board to offset the power of the controlling shareholder. As the Company does not abide by this practice, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 98.2, Abstain: 0.0, Oppose/Withhold: 1.8,

*2. Appoint the Auditors*

PwC proposed. Non-audit fees represented 9.81% of audit fees during the year under review and 11.01% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Oppose*

Results: For: 99.5, Abstain: 0.0, Oppose/Withhold: 0.4,

*3. Advisory Vote on Executive Compensation*

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects

the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: ADA. Based on this rating, opposition is recommended.

*Vote Cast: Oppose*

*Results: For: 98.5, Abstain: 0.1, Oppose/Withhold: 1.5,*

#### *5. Approve to reinstate the 2000 Stock Incentive Plan.*

It is proposed to approve the Stock Incentive Plan 2000 for employees and corporate officers. The Board would receive the authority to set beneficiaries and other conditions. The Company states that exercise of shares will be based on targets, which at this time remain undisclosed.

Plans to increase employee shareholding are considered to be a positive governance practice, as they can contribute to alignment between employees and shareholders. On the other hand, executives are also among the beneficiaries: it is considered that support should not be given to stock or share option plans that do not lay out clear performance criteria, targets and conditions. On balance, opposition is recommended.

*Vote Cast: Oppose*

*Results: For: 98.7, Abstain: 0.1, Oppose/Withhold: 1.2,*

### **TRITAX EUROBOX PLC AGM - 09-02-2023**

#### *1. Receive the Annual Report*

The dividend policy was put forward for shareholder's approval, which is welcomed. The company have disclosed a voting policy indicating how they vote on issues relating to investment and investee companies. In addition, it is noted ESG matters are taken into account in investment decisions which is welcomed. Administration and company secretarial duties are undertaken by the Investment Manager of the company. Independence from the management company is considered a key governance issue affecting investment trusts and to ensure that the management company is not used as a conduit for shareholder communication with the board. Where administrative duties are carried out by the company related to the manager, opposition is recommended.

*Vote Cast: Oppose*

*Results: For: 99.1, Abstain: 0.0, Oppose/Withhold: 0.9,*

#### *9. Re-appoint KPMG LLP as the Company's Auditor*

KPMG proposed. Non-audit fees represented 9.29% of audit fees during the year under review and 13.13% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being

dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

Vote Cast: *Oppose*

Results: For: 99.1, Abstain: 0.0, Oppose/Withhold: 0.9,

#### 14. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 92.3, Abstain: 0.0, Oppose/Withhold: 7.6,

#### 15. *Authorise Share Repurchase*

Authority is sought to repurchase up to 10% of the issued share capital. The authority would expire at the next AGM. Before considering approval of buybacks (and this should come from the board, not the manager), we would like to see a public statement:

- addressing how much of the discount can be explained by capitalisation of the costs (the Total Expense Ratio),
- setting out why the board believes that the performance of the incumbent management is not a contributory factor to the discount, and
- setting out how the current fee structure might be contributing to the discount, for example some investment companies cap management fees, or reduce the manager fee the larger the fund gets,
- setting out the effect of prior year buybacks to help determine the effectiveness of prior buybacks.

Vote Cast: *Oppose*

Results: For: 99.1, Abstain: 0.0, Oppose/Withhold: 0.9,

### COMPASS GROUP PLC AGM - 09-02-2023

#### 1. *Receive the Annual Report*

The annual report was made available sufficiently before the meeting and has been audited and certified. However, there are concerns surrounding the sustainability policies and practice at the company and the lack of board level accountability for sustainability issues. Therefore, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, however the annual report fails to address these concerns adequately and therefore this resolution cannot be supported.

Vote Cast: *Abstain*

Results: For: 98.7, Abstain: 1.3, Oppose/Withhold: 0.0,

#### 2. *Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. Next year's fees and salaries are clearly disclosed. Mr. Dominic Blakemore's salary reflects a 4.5% increase from the previous year. It is noted that salary increases of just under 4.8% for all executive directors which take effect from 1 January 2023 and the average increase for employees across the wider UK population is expected to be c. 8% during 2023. Variable pay for the year under review was 151.83% (

Annual Bonus: 151.83% and LTIP: 0%) of the salary and is within the recommended limit of 200% However, the ratio of CEO pay compared to average employee pay is unacceptable, standing at 154:1. This is considered excessive, given that the recommended limit is 20:1.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 70.2, Abstain: 0.1, Oppose/Withhold: 29.6,

#### 8. *Re-Elect Carol Arrowsmith - Non-Executive Director*

Non-Executive Director. Not considered to be independent, as this director is considered to be in a material connection with the current remuneration advisor: It is noted the director who is currently the chair of the remuneration committee was a remuneration consultant at Deloitte until 2014 and Deloitte was appointed as the remuneration advisor in 2020. This relationship raises concerns over a potential conflict of interest and therefore the director cannot be supported.

Vote Cast: *Oppose*

Results: For: 70.1, Abstain: 21.5, Oppose/Withhold: 8.4,

#### 14. *Re-Elect Nelson Silva - Non-Executive Director*

Chair of the Corporate Responsibility Committee. As the Chair of the Corporate Responsibility Committee is considered to be accountable for the Company's sustainability programme, and given that the Company's sustainability policies and practice are not considered to be adequate in order to minimize material risks linked to sustainability, an abstain vote is recommended.

Vote Cast: *Abstain*

Results: For: 97.3, Abstain: 0.5, Oppose/Withhold: 2.2,

#### 15. *Re-Elect Ireena Vittal - Designated Non-Executive*

Independent Designated Non-Executive. However, the company received significant opposition (10.01 %) at AGM 2022. The company has not disclosed information as to how address the issue with its shareholders. Therefore, an abstain vote is recommended.

Vote Cast: *Abstain*

Results: For: 86.6, Abstain: 0.7, Oppose/Withhold: 12.6,

#### 16. *Re-appoint KPMG LLP as the Company's auditor*

KPMG proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the

benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

Vote Cast: *Oppose*

Results: For: 99.5, Abstain: 0.0, Oppose/Withhold: 0.5,

#### 21. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 95.0, Abstain: 0.3, Oppose/Withhold: 4.7,

#### 22. *Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 98.7, Abstain: 0.2, Oppose/Withhold: 1.1,

### **EASYJET PLC AGM - 09-02-2023**

#### 1. *Receive the Annual Report*

The annual report was made available sufficiently before the meeting and has been audited and certified. However, there are concerns surrounding the sustainability policies and practice at the company. Therefore, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, however the annual report fails to address these concerns adequately and therefore this resolution cannot be supported.

Vote Cast: *Abstain*

Results: For: 95.9, Abstain: 4.1, Oppose/Withhold: 0.0,

#### 2. *Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. CEO salary remain unchanged for the year under review and in line with the workforce. However, the CEO salary is in the upper quartile of the competitor group which raises concerns for potential excessiveness. Variable pay for the year under review was

approximately 162.3% of the salary (Annual Bonus: 162.3%, RSP: 0%) and is considered adequate since is lower than 200%. The ratio of the CEO pay compared to average employee pay is not acceptable at 37:1. PIRC consider acceptable a ratio up to 20:1.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

*Vote Cast: Oppose*

*Results: For: 76.8, Abstain: 4.7, Oppose/Withhold: 18.5,*

### *3. Re-elect Stephen Hester - Chair (Non Executive)*

Non-Executive Chair of the Board. As the Chair of the Sustainability Steering Committee is not up for election, the Chair of the Board is considered accountable for the Company's sustainability programme. As the Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability an abstain vote is recommended.

*Vote Cast: Abstain*

*Results: For: 81.7, Abstain: 8.5, Oppose/Withhold: 9.8,*

### *12. Re-appoint PricewaterhouseCoopers LLP as auditors of the Company*

PwC proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

*Vote Cast: Oppose*

*Results: For: 94.1, Abstain: 0.2, Oppose/Withhold: 5.7,*

### *16. Issue Shares for Cash*

The authority sought exceeds the recommended 5% maximum of the Company's issued share capital and expires at the next AGM. An oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 82.9, Abstain: 0.1, Oppose/Withhold: 16.9,

#### 17. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 10% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 80.0, Abstain: 0.1, Oppose/Withhold: 19.9,

#### 18. *Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 91.3, Abstain: 0.1, Oppose/Withhold: 8.6,

### **VICTREX PLC AGM - 10-02-2023**

#### 1. *Receive the Annual Report*

The annual report was made available sufficiently before the meeting and has been audited and certified. However, there are concerns surrounding the sustainability policies and practice at the company. Therefore, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, however the annual report fails to address these concerns adequately and therefore this resolution cannot be supported.

Vote Cast: *Abstain*

Results: For: 95.1, Abstain: 4.9, Oppose/Withhold: 0.0,

#### 2. *Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. The Remuneration Committee determined that the Executive Directors should receive an increase below that of the average wider workforce rate at 4% of salary. With regard to Ian Melling, in view of his joining the Company part way through the year, it was agreed that his increase would be limited to 2% of salary notwithstanding that normal Company policy is to increase in line with the wider workforce where employment starts prior to 1 July in the year. The changes in CEO total pay under the last five years are not considered in line with changes in TSR during the same period. The CEO has been paid an Annual Bonus for the Year Under Review which amounts to 101.95% of his base salary, which is considered acceptable. No LTIP award was vested during the year. Additionally, the ratio of the CEO pay compared to average employee is slightly above the recommended limit of 20:1 and stands at 21:1.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are

employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 93.5, Abstain: 4.2, Oppose/Withhold: 2.2,

### 3. *Approve Remuneration Policy*

The company proposes a few changes, most of which are as follows; 1) All Executive Directors (incumbent and new hires) must have a pension contribution in line with the wider workforce (currently 14% of salary) rather than just new hires: 2) Pay-out schedule: We have clarified that where financial targets are set, the maximum proportion of each target that can be paid for achieving the threshold performance target is up to 20% of that part of the bonus, rising on a graduated scale to the maximum performance level where 100% of the relevant part of the bonus becomes payable. This is in line with market practice and the current approach at Victrex for setting financial targets. Where non-financial targets are set (e.g. strategic and/or personal targets) it may not be possible to structure the target in the same way as a financial target but, in principle, the same graduated approach to target setting will apply: 3) Performance measures and vesting schedules: The references to specific performance measures have been removed (e.g. being required to have EPS or TSR) from the policy to allow the Committee market consistent flexibility to select the most appropriate performance measures. However, at least half of an award must be subject to financial and/or shareholder return measures. Recovery and withholding provisions: The provisions have been broadened to include insolvency as a trigger. Total maximum potential awards under all incentive schemes are 325% of salary (for the CEO) and 275% of salary (for other executives) and is deemed excessive since is higher than 200%. Annual bonus was based on PBIT pre-exceptional items (50%), strategic (30%) and personal objectives (20%). The deferral period for the Annual Bonus is considered sufficient, as 50% of the bonus will be deferred. Long-term incentive plan (LTIP) performance measures are based on 60% EPS, 30% TSR and 10% ESG. The performance condition is not considered to be sufficiently long-term at three years. However, a two year post-vesting holding period apply which is welcomed. The Committee may determine that an Executive Director is eligible to receive a bonus for the year. The discretion given to the Board in awarding additional cash and/or share-based payments raises concern. The remuneration Committee also has discretion to determine that LTIP awards vest at a later date (than the date of termination of contract) and/or to disapply the time pro-rating element of the termination award. Malus and clawback provisions apply for the entire variable pay.

The expectations for pay schemes for approval at general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties, including the new s172 duties, should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'. As such, PIRC may recommend opposition on any remuneration policy or report proposals containing variable remuneration.

Vote Cast: *Oppose*

Results: For: 95.0, Abstain: 0.6, Oppose/Withhold: 4.4,

### 6. *Re-Elect Vivienne Cox - Chair (Non Executive)*

Non-Executive Chair and chair of the nomination committee.

At this time, the report of the progresses made on the recommendations of the Parker report (2016), which seeks to improve the ethnic and cultural diversity of UK boards, is not considered to be sufficient. As chair of the nomination committee, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 87.4, Abstain: 0.6, Oppose/Withhold: 12.0,

### 7. *Re-Elect Jane Toogood - Non-Executive Director*

Chair of the Corporate Responsibility Committee. As the Chair of the Corporate Responsibility Committee is considered to be accountable for the Company's sustainability programme, and given that the Company's sustainability policies and practice are not considered to be adequate in order to minimize material risks



linked to sustainability. Therefore, an abstain vote is recommended.

*Vote Cast: Abstain*

*Results: For: 97.9, Abstain: 0.6, Oppose/Withhold: 1.5,*

#### *15. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company*

PwC proposed. No Non-audit fees were paid during the year under review and No-Audit fees represents 4.82% of Audit fees on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

*Vote Cast: Oppose*

*Results: For: 99.4, Abstain: 0.0, Oppose/Withhold: 0.6,*

#### *17. Approve Political Donations*

The proposed authority is subject to an overall aggregate limit on political donations and expenditure of GBP 12,500. The Company did not make any political donations or incur any political expenditure and has no intention either now or in the future of doing so. Within recommended limits. However, the company received significant opposition (10.82 %) on resolution number 17 (Approve Political Donations) at AGM 2022. The company has not disclosed information as to how address the issue with its shareholders. Therefore, an abstain is recommended.

*Vote Cast: Abstain*

*Results: For: 90.5, Abstain: 0.6, Oppose/Withhold: 8.9,*

#### *18. Issue Shares with Pre-emption Rights*

The authority is limited to one third of the Company's issued share capital. This cap can increase to two-thirds of the issued share capital if shares are issued in connection with an offer by way of a rights issue. All directors are standing for annual re-election. This resolution is in line with normal market practice and expires at the next AGM. However, the company received significant opposition (10.08 %) on resolution number 18 (Issue Shares with Pre-emption Rights) at AGM 2022. The company has not disclosed information as to how address the issue with its shareholders. Therefore, an abstain is recommended.

*Vote Cast: Abstain*

*Results: For: 90.1, Abstain: 0.6, Oppose/Withhold: 9.3,*

#### *20. Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 90.8, Abstain: 0.0, Oppose/Withhold: 9.2,

#### *21. Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 99.4, Abstain: 0.0, Oppose/Withhold: 0.6,

### **UNITED MALT GROUP LTD AGM - 10-02-2023**

#### *3.1. Elect Patrick E. Bowe - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, therefore abstention is recommended.

Vote Cast: *Abstain*

### **HYUNDAI GREEN FOOD CO LTD EGM - 10-02-2023**

#### *1. Approve the Split-off*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

Vote Cast: *Abstain*

#### *2. Elect I Mu Won - Non-Executive Director*

Non-Executive Director. Not considered to be independent based on insufficient information. It is considered that shareholders should be provided with sufficient biographical information on candidates, in order to make an informed assessment on the candidates' independence and profile. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

## GCP INFRASTRUCTURE INVESTMENTS LTD AGM - 15-02-2023

### 10. *To re-appoint KPMG Channel Islands Limited ("KPMG") as auditors of the Company*

KPMG proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

Vote Cast: *Oppose*

Results: For: 92.9, Abstain: 0.0, Oppose/Withhold: 7.1,

### 14. *Authorise Share Repurchase*

Authority is sought to repurchase up to 14.99% of the issued share capital. The authority would expire at the next AGM. Before considering approval of buybacks (and this should come from the board, not the manager), we would like to see a public statement:

- addressing how much of the discount can be explained by capitalisation of the costs (the Total Expense Ratio),
- setting out why the board believes that the performance of the incumbent management is not a contributory factor to the discount, and
- setting out how the current fee structure might be contributing to the discount, for example some investment companies cap management fees, or reduce the manager fee the larger the fund gets,
- setting out the effect of prior year buybacks to help determine the effectiveness of prior buybacks.

Vote Cast: *Oppose*

Results: For: 92.9, Abstain: 0.0, Oppose/Withhold: 7.1,

## PETRO MATAD LTD AGM - 15-02-2023

### 1. *Receive the Annual Report*

Disclosure is adequate and the Annual report was made available sufficiently before the meeting. The financial statements have been audited and unqualified. Although not required to do so under AIM listing regulations, it is considered best practice for the Remuneration report to be submitted to a shareholder vote. As the Company has failed to do this, an oppose vote is recommended.

*Vote Cast: Oppose*

*2. Appoint the Auditors and Allow the Board to Determine their Remuneration*

Hall Chadwick WA Audit Pty Ltd proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor. Therefore, abstention is recommended.

*Vote Cast: Abstain*

*3. Re-elect Shinezaya Batbold - Non-Executive Director*

Non-Executive Director. Not considered independent as the Director is the CEO of Petrovis Venture Capital LLC a subsidiary of the Company's significant shareholder Petrovis Matad. There is insufficient independent representation on the Board. Therefore, opposition is recommended.

*Vote Cast: Oppose*

*5. Amend Articles 6.4 and 6.5 of the company's Articles of Association*

The Board proposes to amend the Articles. The amendment will allow the Directors the power to issue ordinary shares without pre-emptive rights, up to an aggregate nominal amount of USD 2,246,904.12 which represents approximately 25% of the company's share capital (as of 31 December 2021). It is considered that the proposed amendments may have an adverse effect on shareholder rights, as it will grant the directors the ability to issue non-preemptive shares without shareholder approval. In addition, this represents a significant proportion of the overall share capital and thus it will dilute shareholders' rights. Therefore, it is recommended to oppose.

*Vote Cast: Oppose*

*6. Authorise Share Repurchase*

The authority is limited to 15% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

**SSP GROUP PLC AGM - 16-02-2023**

*2. Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. The highest paid Executive for the year under review was the Deputy CEO & CFO of the Company Mr. Jonathan Davies. The salary of the Deputy CEO & CFO is in the median of the competitor group. Variable pay for the highest paid director for the year under review was at 142.5% of the salary (Annual Bonus: 142.5%, PSP: 0%) and is not considered excessive. The highest paid director pay compared to average employee pay is not acceptable at 47:1, this exceeds the recommended ratio of 20:1.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit

pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

*Vote Cast: Oppose*

*Results: For: 98.2, Abstain: 0.0, Oppose/Withhold: 1.8,*

#### *11. Re-appoint KPMG LLP as Auditor of the Company*

KPMG proposed. Non-audit fees represented 4.55% of audit fees during the year under review and 15.52% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

*Vote Cast: Oppose*

*Results: For: 98.2, Abstain: 0.8, Oppose/Withhold: 1.0,*

#### *16. Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

*Vote Cast: Oppose*

*Results: For: 99.2, Abstain: 0.0, Oppose/Withhold: 0.8,*

#### *17. Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board,

an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 99.8, Abstain: 0.0, Oppose/Withhold: 0.2,

## **BENCHMARK HOLDINGS PLC AGM - 16-02-2023**

### *2. Approve the Remuneration Report*

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

### *3. Reappoint KPMG LLP as auditors of the Company*

KPMG proposed. Non-audit fees represented 0.54% of audit fees during the year under review and 0.95% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The date of appointment of the current audit firm is undisclosed, meaning the length of tenure is not known. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

Vote Cast: *Oppose*

### *6. Re-elect Kristian Eikre - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder: The director is co-head of Ferd

Capital, a division of Ferd AS, a Norwegian investment company holding 26.33% of the company's issued share capital. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *8. Re-elect Peter George - Chair (Non Executive)*

Not considered to be independent as the director served in an executive capacity at the Company between 19 August 2019 until 31 July 2020. In addition, it is a generally accepted norm of good practice that a Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Being a non-independent Chair is considered to be incompatible with this. Oppose vote is therefore recommended.

*Vote Cast: Oppose*

#### *10. Re-elect Susan Searle - Senior Independent Director*

Senior Independent Director. Not considered independent owing to a tenure of over nine years. It is considered that a Senior Independent Director should be independent, in order to fulfil the responsibilities assigned to that role. Therefore, an oppose vote is recommended.

*Vote Cast: Oppose*

#### *12. Re-elect Atle Eide - Non-Executive Director*

Non-Executive Director. Not considered independent as given his previous role as a director of Kverva AS, a significant shareholder in the Company. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *13. Elect Laura Lavers - Non-Executive Director*

Non-Executive Director. Not considered independent as the director acts as the director acts as shareholder representative of JNE, a significant shareholder of the Company. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *15. Issue Shares for Cash*

The authority sought exceeds the recommended 5% maximum of the Company's issued share capital and expires at the next AGM. An oppose vote is recommended.

*Vote Cast: Oppose*

#### *16. Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice

would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

*Vote Cast: Oppose*

#### *17. Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

### **GRAINCORP LTD AGM - 16-02-2023**

#### *2. Approve the Remuneration Report*

It is proposed to approve the annual report on remuneration of Executive and Non-Executive directors with an advisory vote. There are excessiveness concerns as the total variable remuneration exceeded 200% of the salary for the highest paid director. The Company has fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, opposition is recommended based on excessive remuneration.

*Vote Cast: Oppose*

#### *4. Approve Equity Grant to Executive Director*

The Board is seeking shareholder approval for the purposes of ASX Listing Rule 10.14 for the grant of 140,624 performance shares to the Chief Executive And Managing Director, under the company's Long-term Incentive Plan. The proposed grant has an approximate value of AUD 1,157,000 which equates to 100% of the CE's fixed remuneration.

Although the potential award is not considered to be excessive, concerns over the plan are raised as awards are based on performance conditions which do not run interdependently.

LTIP based schemes are inherently flawed. LTIPs are not considered an effective means of incentivising performance. These schemes are not considered to be properly long term and are subject to manipulation due to their discretionary nature.

*Vote Cast: Oppose*

### **VIRGIN MONEY UK PLC AGM - 21-02-2023**

#### *1. Receive the Annual Report*

The annual report was made available sufficiently before the meeting and has been audited and certified. However, there are concerns surrounding the sustainability policies and practice at the company and the lack of board level accountability for sustainability issues. Therefore, it is considered that the annual report and the



financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, however the annual report fails to address these concerns adequately and therefore this resolution cannot be supported.

*Vote Cast: Abstain*

*Results: For: 98.6, Abstain: 1.3, Oppose/Withhold: 0.0,*

### *2. Approve Remuneration Policy*

The company proposes a few changes, most of which are as follows; 1) Pension: The maximum contribution rate for incumbent Executive Directors has been reduced from 20% of salary to the rate available to the majority of colleagues (currently 13%). This results in a reduction in pension contribution for the current CEO. In line with the provisions of the previous policy, the CFO's pension arrangement was aligned with the rate available to the majority of colleagues at the time he joined the Group, 2) Benefit: As part of ALMV, the Group introduced well-being days for all colleagues this year. In addition to 30 days of annual leave and bank holidays, all colleagues (including Executive Directors) are able to take five paid well-being days a year. The current policy includes a benefits cap of £250k on the cash value of benefits (including pension) that can be provided to the CEO. Following the reduction in the Executive Director pension rate, the total value of the CEO's core benefits is now significantly below this cap and it is therefore proposed that the limit is now redundant and should be removed as a means of simplifying the policy. Total maximum potential awards of CEO under all incentive schemes are 295% of salary and is deemed excessive since it is higher than 200%. Annual Bonus performance measures are based on 80% of the annual bonus opportunity for Executive Directors is based on performance of the Group against key financial and non-financial measures; and 20% is based on personal performance. For the LTIP Awards are based on a three-year performance period. The Committee, in its absolute discretion, will determine the level of the LTIP awards made under the LTIP after taking account of the Executive Directors' individual performance and business performance. Any LTIP award, when combined with any deferred element of the annual bonus, will meet the deferral requirements under the PRA Remuneration Code. Measures for LTIP Awards are aligned with strategic goals: Pioneering Growth, Super Straightforward Efficiency, Delighted Customer and Colleagues and Discipline and Sustainability. The performance condition is not considered to be sufficiently long-term at three years. However, a two year post-vesting holding period apply which is welcomed. Malus and clawback also apply for all variable pay.

The expectations for pay schemes for approval at general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties, including the new s172 duties, should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'. As such, PIRC may recommend opposition on any remuneration policy or report proposals containing variable remuneration.

*Vote Cast: Oppose*

*Results: For: 97.9, Abstain: 0.0, Oppose/Withhold: 2.1,*

### *3. Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. The CEO salary is in line with the workforce, since for the year under review there was no increase in the salary for the CEO. It is also noted that executive Directors receive a 5% increase, below the rate applied across all colleagues. The balance of CEO realized pay with financial performance is not acceptable as the change in CEO total pay over five years is not in line with the change in TSR over the same period. Total variable pay for the year under review is not excessive since it amounts at 102.83% of the salary (Annual Bonus: 45.58% & LTIP: 57.25%). The ratio of CEO pay compared with average employee pay is not acceptable, standing at 41:1. It is considered that a ratio of 20:1 is acceptable. No payments for loss of office were made during the current or the previous year.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are

employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

Results: For: 96.4, Abstain: 0.6, Oppose/Withhold: 3.0,

#### 6. *Re-Elect David Bennett - Chair (Non Executive)*

Non-Executive Chair of the Board and chair of the nomination committee. As the Chair of the Sustainability Committee is not up for election, the Chair of the Board is considered accountable for the Company's sustainability programme. As the Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability an abstain vote is recommended. .

Vote Cast: *Abstain*

Results: For: 96.5, Abstain: 1.0, Oppose/Withhold: 2.5,

#### 13. *To re-appoint Ernst & Young LLP as auditors of the Company*

EY proposed. Non-audit fees represented 2.33% of audit fees during the year under review and 2.29% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

Vote Cast: *Oppose*

Results: For: 98.6, Abstain: 0.0, Oppose/Withhold: 1.3,

#### 17. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 93.8, Abstain: 0.4, Oppose/Withhold: 5.7,

*18. To authorise the Directors to allot equity securities in connection with AT1 Securities*

Approval is sought for the directors to allot shares in the Company, or grant rights to subscribe for, or convert securities into shares. Up to an aggregate nominal amount of GBP 31,600,000 in connection with the issue of further additional Tier 1 Securities where the directors consider these necessary or desirable for maintaining compliance with regulatory requirements. The authority expires (unless previously renewed, varied or revoked by the Company in general meeting) at the next AGM. The use of Contingent Convertible Securities (CCS) is not considered appropriate as they put investors at significant risk of dilution in the event that conversion occurs. CCSs are relatively new instruments and there are concerns that CCSs may create a situation which whilst converting some debt to equity actually disincentives equity investors from putting more new funds into banks via rights issues, due to the dilutive effect of the conversion taking away much, or some, of the premium that would ordinarily accrue to shareholders. Previous events at Deutsche Bank has led to others voicing their concerns about the destabilising effect of CCSs on both the CCS price and the share price. Based on these concerns, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 98.4, Abstain: 0.1, Oppose/Withhold: 1.5,

*19. To authorise the Directors to disapply statutory pre-emption rights in respect of the allotment of equity securities in connection with AT1 Securities and issue further AT1 Securities*

Authority is sought to disapply the pre-emption rights in connection with AT1 Securities convertible securities. In line with our concerns on resolution 18, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 98.4, Abstain: 0.1, Oppose/Withhold: 1.5,

*20. Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 98.8, Abstain: 0.0, Oppose/Withhold: 1.2,

*21. To permit the Company to enter into a contingent purchase contract between the Company and Citigroup Global Markets Australia Pty Limited (Citi) for the purchase by Citi, at the direction of the Company, of CHESS Depository Interests (CDIs).*

The Company is not able to purchase CDIs directly on the Australian Securities Exchange and so the authority sought at resolution 22 cannot be used for market purchase of CDIs. In order to purchase CDIs, the Company would need to make off-market purchases in accordance with section 694 of the Act. This authority will allow the Company to make off-market purchases of ordinary shares implemented by entering into the Contingent Purchase (CP) Contract with Citigroup Global Markets Australia Pty Limited ('Citi'). The maximum number of Converted Shares which can be purchased, taken together with any ordinary shares purchased by the Company pursuant to resolution 20, would be capped 10% of the issued share capital of the Company. The Directors have no present intention of exercising the authority to make off-market purchases. However the authority provides the flexibility to allow them to do so in the future. Converted Shares purchased under this authority may be held in treasury or they may be cancelled. The Directors will consider holding any Converted Shares the Company may purchase as treasury shares. In line with the vote recommendation on resolution 20, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 98.8, Abstain: 0.1, Oppose/Withhold: 1.2,

*22. To permit the Company to enter into a contingent purchase contract between the Company and Goldman Sachs International (Goldman Sachs) for the purchase by Goldman Sachs, at the direction of the Company, of CHESS Depository Interests (CDIs)*

The Company is not able to purchase CDIs directly on the Australian Securities Exchange and so the authority sought at resolution 22 cannot be used for market purchase of CDIs. In order to purchase CDIs, the Company would need to make off-market purchases in accordance with section 694 of the Act. This authority will allow the Company to make off-market purchases of ordinary shares implemented by entering into the Contingent Purchase (CP) Contract with Goldman Sachs International (Goldman Sachs) . The maximum number of Converted Shares which can be purchased, taken together with any ordinary shares purchased by the Company pursuant to resolution 20, would be capped 10% of the issued share capital of the Company. The Directors have no present intention of exercising the authority to make off-market purchases. However the authority provides the flexibility to allow them to do so in the future. Converted Shares purchased under this authority may be held in treasury or they may be cancelled. The Directors will consider holding any Converted Shares the Company may purchase as treasury shares. In line with the vote recommendation on resolution 20, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 98.8, Abstain: 0.0, Oppose/Withhold: 1.2,

## **RWS HOLDINGS PLC AGM - 22-02-2023**

*2. Approve the Remuneration Report*

All elements of each Executive's cash remuneration and pension contribution are disclosed. All share incentive awards are fully disclosed with award dates and prices. Information concerning the determination of non-executive directors' fees is disclosed. The variable pay was 34.3% of the salary (Annual Bonus: 34.3%, LTIP: 0%). It is noted that no LTIP award is vested for the year under review. Pension contributions has been disclosed.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

Vote Cast: *Oppose*

*4. Re-elect Andrew Brode - Chair (Executive)*

Executive Chair. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Holding an executive position is incompatible with this and a vote to Oppose is recommended.

Vote Cast: *Oppose*

*12. Appoint Ernst & Young LLP as Auditors of the Company*

EY proposed. No non-audit fees were paid for the year under review and non-audit fees represents 26.14% of audit fees on a three-year aggregate basis. This level of non-audit fees raises some concerns about the independence of the statutory auditor.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations

gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

*Vote Cast: Oppose*

#### *15. Issue Shares for Cash*

The authority sought exceeds the recommended 5% maximum of the Company's issued share capital and expires at the next AGM. An oppose vote is recommended.

*Vote Cast: Oppose*

#### *16. Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 10% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

*Vote Cast: Oppose*

#### *17. Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

### **GOOCH & HOUSEGO PLC AGM - 22-02-2023**

#### *10. Appoint the Auditors*

PwC proposed. No Non-audit fees were paid for the year under review. This level of non-audit fees does not raise serious concerns about the independence of the

statutory auditor. The date of appointment of the current audit firm is undisclosed, meaning the length of tenure is not known. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor. Therefore an oppose vote is recommended.

*Vote Cast: Oppose*

#### *14. Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

### **FORESIGHT SUSTAINABLE FORESTRY AGM - 23-02-2023**

#### *1. Receive the Annual Report*

The company have disclosed a voting policy indicating how they vote on issues relating to investment and investee companies. In addition, it is noted ESG matters are taken into account in investment decisions which is considered appropriate. Regarding the lack of vote on the final dividend or dividend policy, it is seen as a derogation of shareholder's rights. It is appreciated that quarterly dividends may be more favourable to shareholders and be what was agreed in the prospectus, however, shareholders should be provided an opportunity to ratify this approach annually through a vote on the dividend policy. This in turn gives the company a mandate to take that particular approach. Such an annual vote on the policy is not considered as overly burdensome and is a useful way for the company to receive feedback on the chosen approach. In addition, it is noted the investment management and company's secretarial functions are performed by the same entity. Administration and company secretarial duties are undertaken by the Investment Manager of the company. Independence from the management company is considered a key governance issue affecting investment trusts. The interests of the fund manager are considered to be in conflict with those of shareholders and the company due to the impact of management fees. Overall, opposition is recommended.

*Vote Cast: Oppose*

**Results: For: 88.3, Abstain: 0.0, Oppose/Withhold: 11.7,**

#### *8. Appoint Ernst & Young LLP as auditor to the Company*

EY proposed. No non-audit fees were paid to the auditors. This approach is commended.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB

determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

Vote Cast: *Oppose*

Results: For: 89.7, Abstain: 0.0, Oppose/Withhold: 10.3,

#### 12. *Authorise Share Repurchase*

Authority is sought to repurchase up to 14.99% of the issued share capital. The authority would expire at the next AGM. Before considering approval of buybacks (and this should come from the board, not the manager), we would like to see a public statement:

- addressing how much of the discount can be explained by capitalisation of the costs (the Total Expense Ratio),
- setting out why the board believes that the performance of the incumbent management is not a contributory factor to the discount, and
- setting out how the current fee structure might be contributing to the discount, for example some investment companies cap management fees, or reduce the manager fee the larger the fund gets,
- setting out the effect of prior year buybacks to help determine the effectiveness of prior buybacks.

Vote Cast: *Oppose*

Results: For: 100.0, Abstain: 0.0, Oppose/Withhold: 0.0,

### **CAMBIUM GLOBAL TIMBERLAND AGM - 23-02-2023**

#### 1. *Receive the Annual Report*

Disclosure is adequate and the Annual report was made available sufficiently before the meeting. The financial statements have been audited and unqualified. Although not required to do so under AIM listing regulations, it is considered best practice for the Remuneration report to be submitted to a shareholder vote. As the Company has failed to do this, an oppose vote is recommended.

Vote Cast: *Oppose*

### **DONGFANG ELECTRIC CORP LTD EGM - 24-02-2023**

#### 1. *To consider and approve the resolution on the Repurchase and Cancellation of Certain Restricted Shares*

It is proposed to authorise the Board to purchase Company's H shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

**DONGFANG ELECTRIC CORP LTD CLASS - 24-02-2023****1. To Consider and Approve The Resolution on The Repurchase and Cancellation of Certain Restricted Shares**

It is proposed to authorise the Board to purchase and cancel 274,000 of the Company's Restricted A shares. This resolution will not be supported unless the Board has set forth a clear; cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board; an oppose vote is recommended.

Vote Cast: *Oppose*

**EDISTON PROPERTY INVESTMENT COMPANY AGM - 24-02-2023****4. Re-appoint Grant Thornton UK LLP as the Company's Auditor**

Grant Thornton UK LLP proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Abstain*

Results: For: 97.8, Abstain: 2.2, Oppose/Withhold: 0.0,

**13. Authorise Share Repurchase**

Authority is sought to repurchase up to 14.99% of the issued share capital. The authority would expire at the next AGM. Before considering approval of buybacks (and this should come from the board, not the manager), we would like to see a public statement:

- addressing how much of the discount can be explained by capitalisation of the costs (the Total Expense Ratio),
- setting out why the board believes that the performance of the incumbent management is not a contributory factor to the discount, and
- setting out how the current fee structure might be contributing to the discount, for example some investment companies cap management fees, or reduce the manager fee the larger the fund gets,
- setting out the effect of prior year buybacks to help determine the effectiveness of prior buybacks.

Vote Cast: *Oppose*

Results: For: 99.9, Abstain: 0.0, Oppose/Withhold: 0.1,

**ARISTOCRAT LEISURE LTD AGM - 24-02-2023****2. Re-elect Pat J. Ramsey - Non-Executive Director**

Non-Executive Director. Not considered independent as in 2016 he served as Chief Digital Officer of the Company until his appointment a Non-Executive Director of the Company on 28 October 2016.

Vote Cast: *Oppose*

**6. Approval for the grant of Performance Share Rights to the Chief Executive Officer and Managing Director under the Long-Term Incentive Program**

The Board is seeking shareholder approval for the purposes of ASX Listing Rule 10.14 for the grant of 163,541 performance shares to the Chief Executive and



Managing Director, under the company's Long-term Incentive Plan. The proposed grant has an approximate value of AUD 3,480,000 which would correspond to more than 200% of the fixed salary, together with other components of the variable remuneration, which is considered excessive.

*Vote Cast: Oppose*

#### *7. Approve the Remuneration Report*

In accordance with Section 250R of the Australian Corporations Act, the directors are seeking approval of the remuneration report. The Act does not require directors to act on approval of the resolution and the vote is advisory.

There are concerns regarding excess as the total variable remuneration exceeded 200% of the salary. The Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, opposition is recommended based on excessive remuneration.

*Vote Cast: Oppose*

### **KONE CORP AGM - 28-02-2023**

#### *7. Approve Financial Statements*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the financial statements submitted to shareholders, but the financial statements fail to address these concerns and it is recommended to abstain from voting on this resolution.

*Vote Cast: Abstain*

#### *9. Approve Discharge the Board and President*

Standard proposal. The company's sustainability policies and practice are not considered to be adequate in order to minimize material risks linked to sustainability. As such, abstention is recommended on the discharge.

*Vote Cast: Abstain*

#### *10. Approve the Remuneration Report (Advisory Vote)*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

### *13D. Elect Antti Herlin - Chair (Non Executive)*

Non Executive Chair. Not considered independent as the director owns a significant stake of the Company's issued share capital, and has a majority of voting rights. It is noted that the director was the CEO of the company from 1996 to 2006. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Holding an executive position is incompatible with this and a vote to Oppose is recommended. Although there are concerns over potential aggregate time commitments, this director has attended all Board and committee meetings during the year under review.

*Vote Cast: Oppose*

### *18. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

## **RIVER AND MERCANTILE UK MICRO CAP INV COMPANY LTD AGM - 01-03-2023**

### *7. Re-appointment of the Company's auditors*

PwC proposed. Non-audit fees represented 37.72% of audit fees during the year under review and 37.26% on a three-year aggregate basis. This level of non-audit fees raises some concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

*Vote Cast: Oppose*

### 9. Authorise Share Repurchase

Authority is sought to repurchase up to 14.99% of the issued share capital. The authority would expire at the next AGM. Before considering approval of buybacks (and this should come from the board, not the manager), we would like to see a public statement:

- addressing how much of the discount can be explained by capitalisation of the costs (the Total Expense Ratio),
- setting out why the board believes that the performance of the incumbent management is not a contributory factor to the discount, and
- setting out how the current fee structure might be contributing to the discount, for example some investment companies cap management fees, or reduce the manager fee the larger the fund gets,
- setting out the effect of prior year buybacks to help determine the effectiveness of prior buybacks.

Vote Cast: *Oppose*

## ABERFORTH SMALLER COMPANIES TRUST PLC AGM - 02-03-2023

### 1. Receive the Annual Report

A dividend was put forward for shareholder's approval, which is welcomed. The company have disclosed a voting policy indicating how they vote on issues relating to investment and investee companies. In addition, it is noted ESG matters are taken into account in investment decisions which is welcomed. Administration and company secretarial duties are undertaken by the Investment Manager of the company. Independence from the management company is considered a key governance issue affecting investment trusts and to ensure that the management company is not used as a conduit for shareholder communication with the board. Where administrative duties are carried out by the company related to the manager, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 95.8, Abstain: 0.0, Oppose/Withhold: 4.2,

### 13. Authorise Share Repurchase

Authority is sought to repurchase up to 14.99% of the issued share capital. The authority would expire at the next AGM. Before considering approval of buybacks (and this should come from the board, not the manager), we would like to see a public statement:

- addressing how much of the discount can be explained by capitalisation of the costs (the Total Expense Ratio),
- setting out why the board believes that the performance of the incumbent management is not a contributory factor to the discount, and
- setting out how the current fee structure might be contributing to the discount, for example some investment companies cap management fees, or reduce the manager fee the larger the fund gets,
- setting out the effect of prior year buybacks to help determine the effectiveness of prior buybacks.

Vote Cast: *Oppose*

Results: For: 98.4, Abstain: 0.0, Oppose/Withhold: 1.6,

## NOVOZYMES AS AGM - 02-03-2023

### 2. Receive the Annual Report

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately

reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, but the annual report fails to address these concerns adequately and therefore abstention is recommended.

*Vote Cast: Abstain*

#### *4. Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

#### *6. Elect Cornelis (Cees) de Jong - Chair (Non Executive)*

Independent Non-Executive Chair of the Board. Although there are concerns over potential aggregate time commitments, this director has attended all Board and committee meetings during the year under review.

As there is no Board-level Sustainability Committee, the Chair of the Board is considered accountable for the Company's sustainability programme. As the Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability an abstain vote is recommended.

*Vote Cast: Abstain*

#### *8.a. Re-elect Heine Dalsgaard - Non-Executive Director*

Non-Executive Director, Chair of the Audit Committee. Not considered to be independent based on the Company's own assessment. In terms of best practice, it is considered that the audit committee should only comprise independent members.

*Vote Cast: Abstain*

#### *9.a. Re-appoint PwC as the Auditors*

PwC proposed. Non-audit fees represented 144.44% of audit fees during the year under review and 96.30% on a three-year aggregate basis. This level of non-audit fees raises major concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

*Vote Cast: Abstain*

#### *10.b. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until 1 April 2024. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

## **MULTIPLAN EMPREENDIMENTOS EGM - 03-03-2023**

### *1. Elect Jose Isaac Peres - Chair (Non Executive)*

Non-Executive Chair. Not considered independent as the director is a significant shareholder. He was the Chief Executive Officer of the Company until 9 February 2023. Additionally, he is father of Ana Paula Kaminitz Peres and Eduardo Kaminitz Peres, respectively Executive Director and CEO of the company, and brother of Manassês Wilson Peres, also an Executive Director of the company. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

### *2. Elect Cintia Vannucci Vaz Guimarães - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder. Ms. Cintia Guimarães is an executive of the Cadillac Fairview corporation, which is responsible one of the direct controlling shareholders of the Company. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

## **OI S.A. EGM - 06-03-2023**

### *4a1. Elect Board: Slate Election*

Proposal to elect the Board with a bundled election. Candidates proposed: Armando Lins Netto, Claudia Quintella Woods, Eleazar de Carvalho Filho, Henrique José Fernandes Luz, Marcos Grodetzky, Maria Helena dos Santos Fernandes de Santana, Mateus Affonso Bandeira, Paulino do Rego Barros Junior, and Rodrigo Modesto de Abreu. Although slate elections are not considered to be best practice, they are common in this market. There is sufficient independent representation on the Board after the meeting as resulting from this slate of candidates. However, as only one slate can be supported, it is recommended to abstain from voting on this item.

*Vote Cast: Abstain*

### *4.2. In Case One of the Nominees Leaves the Board of Directors Slate Due to a Separate Minority Election, as Allowed Under Articles 161 and 240 of the Brazilian Corporate Law, May Your Votes Still Be Counted for the Proposed Slate?*

It is proposed to count shareholders' vote on the slate, in case one of the candidates on the slate is no longer part of it. At this time, no changes have been communicated and abstention is recommended.

*Vote Cast: Abstain*

### *4.3. In Case Cumulative Voting Is Adopted, Do You Wish to Equally Distribute Your Votes Amongst the Nominees below?*

It is proposed to equally distribute votes among candidates in the slate, in case cumulative voting is adopted. Based on the profiles of the candidates and the overall independence of the board, it is considered that not all of the candidates should be supported equally.

*Vote Cast: Abstain*

*4.5. In Case Cumulative Voting Is Adopted, Do You Wish to Equally Distribute Your Votes Amongst the remaining members of the slate you selected?*

It is proposed to equally distribute votes among candidates in the slate, in case cumulative voting is adopted. Based on the profiles of the candidates and the overall independence of the board, it is considered that not all of the candidates should be supported equally.

*Vote Cast: Abstain*

*4.4. In Case One of the Nominees Leaves the Board of Directors Slate Due to a Separate Minority Election, as Allowed Under Articles 161 and 240 of the Brazilian Corporate Law, May Your Votes Still Be Counted for the Proposed Slate?*

It is proposed to count shareholders' vote on the slate, in case one of the candidates on the slate is no longer part of it. At this time, no changes have been communicated and abstention is recommended.

*Vote Cast: Abstain*

## **ORSTED AS AGM - 07-03-2023**

*6.2. Elect Thomas Thune Andersen - Chair (Non Executive)*

Non-Executive Chair. Not considered independent owing to a tenure of over nine years. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. As opposition is not a valid vote option for this resolution, abstention is recommended.

*Vote Cast: Abstain*

Results: For: 96.6, Abstain: 3.4, Oppose/Withhold: 0.0,

*8. Appoint the Auditors*

PwC proposed. Non-audit fees represented 40.00% of audit fees during the year under review and 38.81% on a three-year aggregate basis. This level of non-audit fees raises some concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

*Vote Cast: Oppose*

Results: For: 97.2, Abstain: 2.8, Oppose/Withhold: 0.0,

## **NOVARTIS AG AGM - 07-03-2023**

*1. Approve Financial Statements*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the financial statements submitted to shareholders, but the financial statements fail to address these concerns and it is recommended to abstain from voting on this resolution.

Vote Cast: *Abstain*

Results: For: 99.2, Abstain: 0.7, Oppose/Withhold: 0.1,

## 2. Discharge the Board and Executive Committee

Standard proposal. The company's sustainability policies and practice are not considered to be adequate in order to minimize material risks linked to sustainability. As such, abstention is recommended on the discharge.

Vote Cast: *Abstain*

Results: For: 97.5, Abstain: 1.9, Oppose/Withhold: 0.6,

## 5. Authorise Share Repurchase

It is proposed to authorise the Board to purchase Company's shares until the 2026 AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 98.2, Abstain: 0.3, Oppose/Withhold: 1.5,

## 7.2. Approve Maximum Remuneration of Executive Committee

The Board of Directors proposes that shareholders approve the maximum aggregate amount of compensation to be paid, promised or granted during, or in respect of, 2024 to the members of the Executive Committee, i.e. CHF 90,000,000.

It is proposed to approve the remuneration policy with a binding vote. Variable remuneration does not seem to be consistently capped and as such there are excessiveness concerns as the total potential variable remuneration may exceed 200% of the salary. In addition, the Company has not disclosed quantified targets for the performance criteria of its variable remuneration component, which may lead to overpayment against underperformance. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. Nevertheless, opposition is recommended based on potential excessive variable remuneration.

Vote Cast: *Oppose*

Results: For: 90.7, Abstain: 1.3, Oppose/Withhold: 8.0,

## 7.3. Approve the Remuneration Report

It is proposed to approve the annual report on remuneration of Executive and Non-Executive directors with an advisory vote. There are excessiveness concerns as the total variable remuneration exceeded 200% of the salary for the highest paid director. The Company has fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, opposition is recommended based on excessive remuneration.

Vote Cast: *Oppose*

Results: For: 80.6, Abstain: 8.0, Oppose/Withhold: 11.4,

## 8.1. Elect Joerg Reinhardt - Chair (Non Executive)

Non-Executive Chair. Not considered independent owing to a tenure of over nine years. Furthermore, the director was previously employed by the Company as Chief Operating Officer (2008-2010). It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Holding an executive position is incompatible with this and a vote to Oppose is recommended.

Vote Cast: *Oppose*

Results: For: 94.9, Abstain: 0.6, Oppose/Withhold: 4.5,

#### 8.4. *Elect Patrice Bula - Senior Independent Director*

Senior Independent Director and Chair of the Sustainability Committee. The Chair of the Sustainability Committee is considered to be accountable for the Company's sustainability programme, and the Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability, an abstain vote is recommended.

Vote Cast: *Abstain*

Results: For: 92.9, Abstain: 1.2, Oppose/Withhold: 5.9,

#### 9.4. *Re-Appoint William T. Winters as Member of the Compensation Committee*

Non-Executive Director, candidate to the Remuneration Committee on this resolution. It is considered that the Remuneration Committee should consist exclusively of independent members. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 94.8, Abstain: 1.3, Oppose/Withhold: 3.9,

#### B. *Transact Any Other Business*

It is proposed to instruct the independent proxy to approve all Board proposals that may be included on the agenda, up until the time of the meeting. No proposals have been set forth at this time. Abstention is recommended.

Vote Cast: *Abstain*

### **QUALCOMM INCORPORATED AGM - 08-03-2023**

#### 1f. *Elect Ann M. Livermore - Non-Executive Director*

Chair of the Sustainability Committee. As the Chair of the Sustainability Committee is considered to be accountable for the Company's sustainability programme, and given the concerns over the Company's sustainability policies and practice, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 97.7, Abstain: 0.3, Oppose/Withhold: 2.0,

#### 1l. *Elect Anthony J. Vinciguerra - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

Vote Cast: *Oppose*

Results: For: 96.5, Abstain: 0.3, Oppose/Withhold: 3.2,

#### 2. *Appoint the Auditors: PwC*

PwC proposed. Non-audit fees represented 2.33% of audit fees during the year under review and 2.44% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.



Vote Cast: *Oppose*

Results: For: 95.0, Abstain: 0.3, Oppose/Withhold: 4.7,

### *3. Approve New Long Term Incentive Plan*

The Board proposes the approval of a new long-term incentive plan. Under the plan, the CEO and other executives will be awarded rights to shares, a portion (or all) of which will vest depending on the achievement of some performance criteria. Vesting period is three years and as such is considered to be short-term, while performance targets have not been fully disclosed in a quantified manner at this time.

LTIP schemes are not considered an effective means of incentivising performance and are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the company. They are acting as a complex and opaque hedge against absolute company underperformance and long-term share price falls. They are also a significant factor in reward for failure.

Vote Cast: *Oppose*

Results: For: 88.6, Abstain: 0.4, Oppose/Withhold: 11.0,

### *4. Advisory Vote on Executive Compensation*

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: ACB. Based on this rating, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 94.4, Abstain: 0.6, Oppose/Withhold: 5.0,

## **WARTSILA OYJ ABP AGM - 09-03-2023**

### *10. Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. There are concerns regarding excess as the total variable remuneration exceeded 200% of the salary. The Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, opposition is recommended based on excessive remuneration.

Vote Cast: *Oppose*

### *15. Appoint the Auditors*

PwC proposed. Non-audit fees represented 0.00% of audit fees during the year under review and 0.88% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Abstain*

#### 16. *Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares for 18 months. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

#### 17. *Issue Shares for Cash*

Authority to issue shares without pre-emptive rights is proposed for less than 10% of the current share capital. However; the duration of the authority exceeds 12 months. It is considered that shareholders should have the occasion to vote on such resolutions annually.

Vote Cast: *Oppose*

### **APPLIED MATERIALS INC AGM - 09-03-2023**

#### 1f. *Elect Thomas J. Iannotti - Chair (Non Executive)*

As the Company has not constituted a Sustainability Committee, the Chair of the Board is considered accountable for the Company's sustainability programme and the programme is not considered adequate to minimise the material risks linked to sustainability. Therefore, opposition is recommended

Vote Cast: *Oppose*

Results: For: 92.7, Abstain: 0.1, Oppose/Withhold: 7.1,

#### 2. *Advisory Vote on Executive Compensation*

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: ACB. Based on this rating, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 92.4, Abstain: 0.3, Oppose/Withhold: 7.3,

#### 4. *Appoint KPMG as Auditors*

KPMG proposed. Non-audit fees represented 0.59% of audit fees during the year under review and 2.46% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Oppose*

Results: For: 98.0, Abstain: 0.2, Oppose/Withhold: 1.8,

**ALFA SAB DE CV AGM - 09-03-2023****I. Approve Financial Statements and Statutory Reports**

At this time, the financial statements have not been made available. Although not uncommon in this market, it is considered a serious reporting omission. Opposition is recommended.

Vote Cast: *Oppose*

**II. Approve the Dividend**

The Board proposes a dividend of MXN 0.02 per share. Although the dividend appears to be covered by earnings or disposable reserves, the financial statements for the year under review have not been disclosed at this time, making an informed assessment impossible. Abstention is recommended.

Vote Cast: *Abstain*

**III. Elect Board: Slate Election**

Proposal to renew the Board with a bundled election. Although slate elections are not considered to be best practice, they are common in this market. There is insufficient independent representation on the Board after the meeting as resulting from this slate of candidates.

Vote Cast: *Oppose*

**APPLE INC AGM - 10-03-2023****1b. Elect Tim Cook - Chief Executive**

Chief Executive. This director is considered to be accountable, at board level, for issues where the company has been involved during the year, namely: Apple reportedly withholding benefits from unionised retail workers, made anti-union threats; Apple among companies accused of buying illegally mined gold from indigenous territories; Apple sued by women who say AirTag lets stalkers track victims; Lawsuit filed against Apple over breaches of competition law, fraud, and other charges. The company has failed to discuss these issues adequately with shareholders and to disclose a road map for preventing further failures within sanctions regulations. On this basis, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 98.2, Abstain: 0.2, Oppose/Withhold: 1.6,

**1c. Elect AI Gore - Non-Executive Director**

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

Results: For: 91.2, Abstain: 0.9, Oppose/Withhold: 7.9,

**1d. Elect Alex Gorsky - Non-Executive Director**

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

Vote Cast: *Oppose*

Results: For: 97.8, Abstain: 0.3, Oppose/Withhold: 1.9,

*1e. Elect Andrea Jung - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

Results: For: 87.4, Abstain: 6.3, Oppose/Withhold: 6.3,

*1f. Elect Art Levinson - Chair (Non Executive)*

Non-Executive Chair. As there is no Sustainability Committee, the Chair of the Board is considered accountable for the Company's sustainability programme. The Company's sustainability policies and practice are not considered to be adequate in order to minimize material risks linked to sustainability. Furthermore, the Chair is not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board. On this basis, an opposition vote is recommended.

Vote Cast: *Oppose*

Results: For: 94.0, Abstain: 0.3, Oppose/Withhold: 5.7,

*1h. Elect Ron Sugar - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board. There are currently allegations over the company's privacy practices, and while no wrongdoing has been identified at this time, there are concerns about how inaction in protecting privacy of interested parties (or practice of violating them) would potentially impact the company or its stakeholders' data. The director is Chair of the Audit Committee, who is considered responsible for overseeing data protection. With this in mind, Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 93.5, Abstain: 0.3, Oppose/Withhold: 6.2,

*1i. Elect Sue Wagner - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder: Susan L. Wagner serves on the board of BlackRock, which owns 6.47% of the Company's outstanding share capital. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

Results: For: 95.9, Abstain: 0.3, Oppose/Withhold: 3.8,

*2. Appoint the Auditors*

EY proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Oppose*

Results: For: 98.5, Abstain: 0.3, Oppose/Withhold: 1.2,

*3. Advisory Vote on Executive Compensation*

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: ADC. Based on this rating, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 88.4, Abstain: 0.8, Oppose/Withhold: 10.8,

#### 5. *Shareholder Resolution: Civil Rights and Non-Discrimination Audit Proposal*

**Proponent's argument:** National Center for Public Policy Research requested that the Board of Directors commission an audit analyzing the Company's impacts on civil rights and non-discrimination, and the impacts of those issues on the Company's business. The audit may, in the Board's discretion, be conducted by an independent and unbiased third party with input from civil rights organizations, public-interest litigation groups, employees and other stakeholders – of a wide spectrum of viewpoints and perspectives. "Many companies have been found to be sponsoring and promoting overtly and implicitly discriminatory employee-training and other employment and advancement programs, including Bank of America, American Express, Verizon, Pfizer, CVS and Apple itself. This disagreement and controversy create massive reputational, legal and financial risk. If the Company is, in the name of equity, diversity and inclusion, committing illegal or unconscionable discrimination against employees deemed "non-diverse," then the Company will suffer in myriad ways - all of them both unforgivable and avoidable. In developing the audit and report, the Company should consult civil-rights and public-interest law groups - but it must not compound error with bias by relying only on left-leaning organizations. Rather, it must consult groups across the spectrum of viewpoints. This includes right-leaning civil-rights groups representing people of color, such as the Woodson Center and Project 21, and groups that defend the rights and liberties of all Americans, not merely the ones that many companies label "diverse." All Americans have civil rights; to behave otherwise is to invite disaster. Similarly, when including employees in its audit, the Company must allow employees to speak freely without fear of reprisal or disfavor, and in confidential ways. Too many employers have established company stances that themselves chill contributions from employees who disagree with the company's asserted positions, and then have pretended that the employees who have been empowered by the companies' partisan positioning represent the true and only voice of all employees. This by itself creates a deeply hostile workplace for some groups of employees, and is both immoral and likely illegal."

**Company's response:** The board recommended a vote against this proposal. "Apple's Civil Rights Audit is currently underway. We have engaged a team from Covington & Burling LLP, led by former U.S. Attorney General Eric Holder, to conduct the audit, which will examine civil rights impacts related to our business in the areas of our people, our products and services, customer connections, and communities. The Covington team is assessing the Company's policies, controls, and initiatives in these areas, and we expect to publish a report regarding their assessment in 2023. Undertaking a second civil rights audit would be redundant and unnecessary.[...] At Apple, we're building on our long-standing commitment to make our Company more inclusive and diverse and to promote equitable pay for all employees. We're supporting underrepresented communities with initiatives that combat inequity, expand access to opportunity, and foster belonging through community. As a sign of our commitment, Apple is a founding signatory to the ACT Report: Action to Catalyze Tech, A Paradigm Shift for DEI (Diversity, Equity, and Inclusion),(2) which provides tech companies and leaders a rigorous framework of action. As a signatory, Apple has already committed to (1) reviewing existing diversity, equity, and inclusion practices and gaps, and identifying relevant actions to operationalize diversity, equity, and inclusion throughout the Company; (2) sharing diversity, equity, and inclusion data, metrics, and goals; and (3) advocating for policies that create pathways into tech for underrepresented communities and increase access to capital for diverse entrepreneurs."

**PIRC analysis:** The potential benefits of staff diversity lie in widening the perspectives on human resources brought to bear on decision-making, avoiding too great a similarity of attitude and helping companies understand their workforces as a kaleidoscope of customers, marketplace, supply chain and society as a whole. Disclosure surrounding the company's staff composition allows shareholders to consider diversity in the context of the long-term interests of the company, including the ability to attract and retain key talent. Disclosure of a policy to improve diversity and goals that have been set to meet this policy also reassures shareholders that a diverse board is not just an aspiration but a goal. However, this resolution appears to be filed by a right-wing policy think tanks as a spoiler resolution to prevent other shareholders from filing resolutions regarding the company's diversity and focuses on ideological diversity with the clear intent to ensure that conservative views are represented on the board as well as so-called liberal perspectives. Given the diversity that already exists on company's staff, a vote against the resolution is recommended.

Vote Cast: *Oppose*

Results: For: 1.4, Abstain: 1.1, Oppose/Withhold: 97.5,

#### 6. *Shareholder Resolution: Communist China Audit*

**Proponent's argument:** National Legal and Policy Center requested that, beginning in 2023, Apple Inc. report annually to shareholders on the nature and extent to which corporate operations depend on, and are vulnerable to, Communist China, which is a serial human rights violator, a geopolitical threat, and an adversary to the United States. The report should exclude confidential business information but provide shareholders with a sense of the Company's reliance on activities conducted within, and under control of, the Communist Chinese government. "American companies doing business in China is a controversial public policy issue, according to an April 2, 2021 CNN report titled, "Doing business in China is difficult. A clash over human rights is making it harder." Apple does business in – and relies on materials, parts, labor and/or services from – entities in China. China is a serial violator of human and political rights. China is also hostile to the U.S. for a variety of reasons, including: – China intends to displace the U.S. as the lone global superpower by 2049; – The U.S. has committed to defend Taiwan, which China has asserted is part of its country and may attempt to seize by force; – U.S.-China relations are tense over a number of issues including China's military expansion; egregious human rights violations; actions related to the COVID pandemic; intellectual property theft; relentless espionage; elimination of freedom in Hong Kong; and environmental pollution. China has also indicated that it would use its industrial capabilities for strategic purposes against adversaries."

**Company's response:** The board recommended a vote against this proposal. "The Company has a large, global business with sales outside the U.S. representing a majority of the Company's total net sales, and the Company believes that it generally benefits from growth in international trade. Substantially all of the Company's manufacturing is performed in whole or in part by outsourcing partners located primarily in Asia, including China mainland, India, Japan, South Korea, Taiwan and Vietnam. Trade policies and disputes and other international conflicts can result in tariffs, sanctions and other measures that restrict international trade, and can materially adversely affect the Company's business, particularly if these measures occur in regions where the Company derives a significant portion of its revenues and/or has significant supply chain operations. For example, tensions between the U.S. and China have led to a series of tariffs being imposed by the U.S. on imports from China mainland, as well as other business restrictions. In addition to these required disclosures, we also voluntarily provide information relating to our international operations, including in China. For example, Apple provides a publicly available list of our suppliers by country and region, including China, on our Supplier Responsibility website, which we work to update annually. And we voluntarily publish a bi-annual Privacy Transparency Report that discloses information regarding government requests for customer information and to remove content, including requests from government authorities in China. [...] We are committed to leaving the world better than we found it, and that starts with treating the people making our products with dignity and respect. Our Supplier Code of Conduct and Supplier Responsibility Standards and our Human Rights Policy outline our requirements for suppliers in the areas of labor and human rights, health and safety, environment, management systems, and ethics."

**PIRC analysis:** The requested disclosure on the involvement with businesses in China as a human rights violator appears to be a spoiler resolution to prevent other shareholders from filing resolutions regarding the company's involvement on human rights controversial activities globally and focuses on geopolitical threats with the clear intent to ensure that conservative views on international relations be represented within the company's global activities, as opposed to promoting transparency and accountability around the potential benefits of global operations conducted fairly, and requesting transparency over the financial impact from non-traditionally financial issues to avoid any suspicion and any damage that may cause to the company's reputation. A report on the human rights impact of the company's operations that may be potentially complicit in China's human rights abuses would be in shareholders' interests, but such a proposal does not seem to be in the interest of the proponent. Rather, this proposal appears to use human rights as an argument to ask the company to withdraw from doing business with China, in a view that considered it to be a geopolitical threat to the US and without actual interest in human rights in that country.

Vote Cast: *Oppose*

Results: For: 4.3, Abstain: 1.5, Oppose/Withhold: 94.2,

## MAPFRE SA AGM - 10-03-2023

### 8. *Elect Antonio Miguel Romero de Olano - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*13. Approve Authority to Increase Authorised Share Capital*

Authority is sought to increase the authorised share capital of the Company up to EUR 153,977,663.65. At this time, the company has not disclosed whether successive increases would be carried out with or without pre-emptive rights. As such, the aggregate authority may exceed recommended limits for issues with or without pre-emptive rights. An oppose vote is therefore recommended.

*Vote Cast: Oppose*

*14. Authorisation to the Board to issue debentures or bonds*

The Board requests shareholder authorization to issue bonds to increase share capital by up to one-half of the current share capital, with or without pre-emptive rights during the five year period following approval. This is in accordance with Article 507 of the new Capital Companies Act, however the possibility to increase share capital up to 50% without pre-emptive rights exceeds guidelines. No lower limit on issues with pre-emptive rights has been established. Opposition is recommended.

*Vote Cast: Oppose*

*15. Approve Remuneration Policy*

It is proposed to approve the remuneration policy with a binding vote. Variable remuneration does not seem to be consistently capped and as such there are excessiveness concerns as the total potential variable remuneration may exceed 200% of the salary. The Company has fully disclosed quantified targets for the performance criteria of its variable remuneration component. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. Nevertheless, opposition is recommended based on potential excessive variable remuneration.

*Vote Cast: Oppose*

*16. Approve the Remuneration Report*

It is proposed to approve the annual report on remuneration of Executive and Non-Executive Directors with an advisory vote. The Company discloses all elements of remuneration for Executives and Non-Executives. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

**BANCO BRADESCO CLASS - 10-03-2023**

*6. Elect One as Fiscal Council Member and one as Alternate*

It is proposed to appoint members of the Fiscal Council in a bundled election: Ava Cohn as standing member, Paulo Henrique Andolhe as secondary member. In terms of good governance, it is considered that all of the candidates to the Fiscal Board should be independent. It is regrettable that the Company has bundled their election

instead of seeking support for individual candidates. The candidate Paulo Henrique Andolhe is not considered to be independent, as he was an Executive Director of Banco Bradesco S.A until April 2021. On this basis, opposition is recommended.

*Vote Cast: Oppose*

### **ATRATO ONSITE ENERGY PLC AGM - 10-03-2023**

#### *12. Issue Additional Shares for Cash*

Authority is sought to issue will be in aggregate with the authority from resolution 11 more than 10% of the issued share capital for cash. The proposed limit is considered excessive. An oppose vote is recommended.

*Vote Cast: Oppose*

*Results: For: 96.7, Abstain: 0.0, Oppose/Withhold: 3.3,*

#### *13. Authorise Share Repurchase*

Authority is sought to repurchase up to 14.99% of the issued share capital. The authority would expire at the next AGM. Before considering approval of buybacks (and this should come from the board, not the manager), we would like to see a public statement:

- addressing how much of the discount can be explained by capitalisation of the costs (the Total Expense Ratio),
- setting out why the board believes that the performance of the incumbent management is not a contributory factor to the discount, and
- setting out how the current fee structure might be contributing to the discount, for example some investment companies cap management fees, or reduce the manager fee the larger the fund gets,
- setting out the effect of prior year buybacks to help determine the effectiveness of prior buybacks.

*Vote Cast: Oppose*

*Results: For: 96.7, Abstain: 0.0, Oppose/Withhold: 3.3,*

### **CARLSBERG AS AGM - 13-03-2023**

#### *2. Receive the Annual Report*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, but the annual report fails to address these concerns adequately and therefore abstention is recommended.

*Vote Cast: Abstain*

*Results: For: 99.8, Abstain: 0.1, Oppose/Withhold: 0.1,*

#### *4. Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. There are concerns regarding excess as the total variable remuneration exceeded 200% of the salary. The Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against



underperformance. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, opposition is recommended based on excessive remuneration.

Vote Cast: *Oppose*

Results: For: 98.5, Abstain: 0.1, Oppose/Withhold: 1.4,

#### 5.a. *Approve Increase of Fees for Deputy Chair and Audit Committee Members*

It is proposed to increase the amount payable to the Board of Directors by more than 10% on annual basis. The increase is considered material and exceeds guidelines, while the company has not duly justified it. Therefore, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 99.6, Abstain: 0.0, Oppose/Withhold: 0.4,

#### 6.a. *Re-elect Henrik Poulsen - Chair (Non Executive)*

Independent Non-Executive Chair of the Board. As there is no Board Sustainability Committee, the Chair of the Board is considered accountable for the Company's sustainability programme and the Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability.

During the year under review, the company was fined after having been found to have violated workplace safety standards and there are concerns over how this can affect both the company's workers and its reputation. In absence of a Sustainability Committee, the Chair is considered responsible for oversight of sustainability issues including workplace safety.

Chair of the Nomination Committee. Section 139a(1) of the Danish Companies Act, or Selskabsloven, defines gender balance as a 40%/60% split. At this time gender diversity on the Board is at a lower level. Although there are no legal requirements or sanctions (beyond outlining diversity policy and targets, which the Company has done) it is considered that companies should go beyond minimum regulatory requirements on issues such as diversity. In particular, in this case it is considered that the Chair of the Nomination Committee should have coordinated recruitment with an enhanced focus on diversity, in order for the Company to reflect what is considered to be a balanced gender representation in the Selskabsloven.

Owing to all of the above, and as opposition is not a valid vote option for this resolution, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 96.7, Abstain: 3.3, Oppose/Withhold: 0.0,

#### 6.b. *Re-elect Majken Schultz - Vice Chair (Non Executive)*

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder: Carlsberg Foundation. There is insufficient independent representation on the Board. As opposition is not a valid vote option for this resolution, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 99.3, Abstain: 0.7, Oppose/Withhold: 0.0,

#### 6.c. *Re-elect Mikael Aro - Non-Executive Director*

Non-Executive Director. Not considered independent as the director was previously employed by the Company as head of the Northern Europe region from 2007 to 2009. There is insufficient independent representation on the Board. As opposition is not a valid vote option for this resolution, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 99.9, Abstain: 0.1, Oppose/Withhold: 0.0,

#### 6.f. *Re-elect Richard Burrows - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board. As opposition

is not a valid vote option for this resolution, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 96.9, Abstain: 3.1, Oppose/Withhold: 0.0,

#### 6.h. *Re-elect Soren-Peter Fuchs Olesen - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder: Carlsberg Foundation. There is insufficient independent representation on the Board. As opposition is not a valid vote option for this resolution, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 99.2, Abstain: 0.8, Oppose/Withhold: 0.0,

#### 17. *Re-appoint PwC as the Auditors*

PwC proposed. Non-audit fees represented 40.00% of audit fees during the year under review and 26.09% on a three-year aggregate basis. This level of non-audit fees raises some concerns about the independence of the statutory auditor.

Vote Cast: *Abstain*

Results: For: 99.2, Abstain: 0.8, Oppose/Withhold: 0.0,

### **BANK MANDIRI (PERSERO) TBK AGM - 14-03-2023**

#### 3. *Approve Remuneration for the Board of Directors and the Board of Commissioners*

No proposal is available at the present time. As per market practice, the proposed remuneration is likely to be made available only at the meeting. Although this is a common practice for a standard item in this market, support will not be suggested for resolutions concerning remuneration when sufficient information has not been made available for shareholders in sufficient time prior to the meeting, as such practice prevents shareholders from reaching an informed decision. Abstention from voting this resolution is recommended.

Vote Cast: *Abstain*

### **CHEMRING GROUP PLC AGM - 15-03-2023**

#### 1. *Receive the Annual Report*

The annual report was made available sufficiently before the meeting and has been audited and certified. However, there are concerns surrounding the sustainability policies and practice at the company and the lack of board level accountability for sustainability issues. Therefore, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, however the annual report fails to address these concerns adequately and therefore this resolution cannot be supported.

Vote Cast: *Abstain*

Results: For: 99.1, Abstain: 0.9, Oppose/Withhold: 0.0,

#### 2. *Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. The CEO salary is in line with the workforce, since the CEO salary increase by 2.3%

and the workforce salary increase by 4% for the year under review. The CEO salary is in the median of the competitor group. The CEO variable pay, which represents 340.4% of his salary (Annual Bonus: 148.6% & PSP: 191.8%), is considered excessive. The ratio of CEO pay compared to average employee pay is slightly higher than the recommended ratio of 20:1 at 21:1.

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

*Vote Cast: Oppose*

*Results: For: 98.2, Abstain: 0.0, Oppose/Withhold: 1.8,*

#### *4. Re-elect Carl-Peter Forster - Chair (Non Executive)*

Non-Executive Chair of the Board. As the Company do not have a Board level Sustainability Committee, the Chair of the Board is considered accountable for the Company's sustainability programme. As the Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability an abstain vote is recommended.

*Vote Cast: Abstain*

*Results: For: 87.3, Abstain: 0.8, Oppose/Withhold: 11.9,*

#### *6. Re-elect Andrew Davies - Senior Independent Director*

Senior Independent Director. Considered independent. There are concerns over a potential conflict of interest between his role as an Executive in a listed company and membership of the remuneration committee. An abstain vote is recommended.

*Vote Cast: Abstain*

*Results: For: 97.5, Abstain: 0.7, Oppose/Withhold: 1.8,*

#### *12. Re-appoint KPMG LLP as the Company's auditor*

KPMG proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY

or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

Vote Cast: *Oppose*

Results: For: 99.3, Abstain: 0.0, Oppose/Withhold: 0.7,

#### 16. *Issue Shares for Cash*

The authority sought exceeds the recommended 5% maximum of the Company's issued share capital and expires at the next AGM. An oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 91.4, Abstain: 0.0, Oppose/Withhold: 8.6,

#### 17. *Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 10% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 90.9, Abstain: 0.0, Oppose/Withhold: 9.1,

#### 18. *Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 99.1, Abstain: 0.2, Oppose/Withhold: 0.7,

### INVINITY ENERGY SYSTEMS PLC EGM - 15-03-2023

#### 1. *Allot the Placing Shares and Open Offer Shares as if the pre-emption provisions in the Articles did not apply*

**Introduction & Background:** On 23 February 2023 the Company announced that, it has conditionally raised approximately GBP 21.5 million at the Issue Price pursuant to the Subscription and Placing and would be carrying out an Open Offer to raise gross proceeds of up to an additional amount of approximately GBP 4 million. The Board of Directors recognises the support that it has received from Shareholders and is offering all Qualifying Shareholders the opportunity to participate in an Open Offer at the Issue Price of GBP 32 pence per Open Offer Share. The Open Offer will raise up to approximately GBP 4 million. In the last quarter of 2022, Invinity signed nearly 31 MWh of sales contracts for its VS3 product. In doing so, the Company sold more batteries in the last three months of 2022 than in its entire history to date as Invinity Energy Systems. Invinity's management believes these recent contract wins, expected to be delivered at positive gross margin, combined with robust growth in the Company's sales pipeline, reflect an inflection point in the commercial acceptance of Invinity's products. This shift places the Company in an advantageous position to address the growing global demand for non-lithium, longer-duration energy storage solutions. Meeting this demand requires funding to increase manufacturing output while simultaneously developing the next generation of VFB, codenamed "Mistral". This next-generation product is intended to serve larger projects and achieve higher margins as a result of economies of scale, supply chain optimisation and cost-down engineering. It is management's firm belief that the commercial launch of the Mistral product will be a key step forward on the Company's pathway to profitability and solidify Invinity's critical role in the future net zero electric grid.

**Proposal:** It is proposed to the shareholders to approve the authority for the Board of Directors to allot and issue equity securities without pre-emptive rights up to a

maximum number of 71,903,355 new Ordinary Shares, on the following basis: A) the allotment of 59,375,000 Placing Shares , B) by means of the Placing Option and C) the allotment of 2 new Ordinary Shares for every 19 Existing Ordinary Shares held on the Record Date, at 32 pence each by means of the Open Offer.

**Rationale:** The Company intends to invest funds raised in the Placing, Open Offer and the Subscription into the following key areas: i) Working capital to support and grow existing operations. Invinity's investment to date into its current operations has led to the substantial increase in sales pipeline, closed sales, and customer projects both operational and in their delivery phase as reported in this document. Sales of the Company's current product, the VS3, do not yet generate sufficient free cash flow to cover the Company's operational expenditures. The Company anticipates Mistral sales will achieve industry-standard margins while improved technology, materials and manufacturing processes shared across both products will also benefit margins on VS3 sales. Until this occurs, the Company requires additional working capital to continue and grow its operations. ii) Development of Mistral. The development programme for Mistral, Invinity's next-generation product, targets a low Levelised Cost of Storage ("LCOS") which, when combined with solar or wind generation, could unlock clean energy on demand at a price below average gas baseload costs. The development of Mistral requires continued investment by Invinity and while certain areas of the programme are being funded in part by Gamesa, the Company maintains full ownership of product components that embody significant and vital intellectual property and therefore is solely responsible for their development costs. Additional capital will assist in mitigating risks to the timely completion of development while enhancing the cost-reduction and product performance. iii) Preparation for Mistral launch. Invinity and its partners anticipate significant demand for Mistral once commercially available. Meeting this demand will require major enhancements to operational capabilities in a number of areas, some already underway, and all with a tight schedule. These include further developing the component supply chain, improving IT processes, increasing headcount of customer-facing departments, and substantially upgrading the Company's wider manufacturing capability.

**Recommendation:** The authority sought exceeds the recommended 5% maximum of the Company's issued share capital. More specific assuming full take up of the Open Offer Entitlements or take-up in full of the Placing Option and no further exercise of options under the Company's share schemes, the New Ordinary Shares will represent approximately 40.11% of the Company's Enlarged Share Capital. Furthermore, a Qualifying Shareholder who does not take up any of their Open Offer Entitlements nor participate in the Placing will suffer a dilution of approximately 40.11% to their interests in the Company. Qualifying Shareholders that take up their Open Offer Entitlements in full, and do not participate in the Placing, will suffer a dilution of approximately 33.81% to their interest in the Company. Therefore opposition is recommended.

*Vote Cast: Oppose*

## *2. To allot the Subscription Shares as if the pre-emption provisions in the Articles did not apply*

The authority sought exceeds the recommended 5% maximum of the Company's issued share capital and expires at the next AGM. More specific the Subscription Shares will represent approximately 29.88% of the Enlarged Share Capital, assuming full take up of the Open Offer Entitlements or take-up in full of the Placing Option. Therefore, an oppose vote is recommended.

*Vote Cast: Oppose*

## **SAFESTORE HOLDINGS PLC AGM - 15-03-2023**

### *2. Approve the Remuneration Report*

All elements of the single total Remuneration have been adequately disclosed. The CEO salary increase by 3% and is in line with the workforce which its salary increase by 6.9%. The CEO salary is in the lower quartile of the competitor group. Total variable pay for the year under review was 1763.3% of the salary (Annual Bonus: 152.2% & LTIP: 1611.1%) and is excessive. The ratio of CEO pay compared to average employee pay stands at 33:1, which is not acceptable. PIRC consider appropriate a ratio of 20:1

The expectations for pay schemes for approval for general meetings are: a going rate true market salary, director service contracts approved by vote, a single profit

pool to be distributed company wide, exceptional bonuses only and no long-term incentive plans (LTIPs). Executives who are directors have unlimited liability, fiduciary duties and Companies Act s172 and contractual duties. The delivery of objectives covered by these duties should not be additionally rewarded with bonuses or LTIPs but considered part of the job. It is believed that the fallacy of 'alignment' with shareholders needs to be retired. Not only do schemes not align, but executives are employees of the company with duties to it. The duties including the new s172 duties should already set the alignment. It is incongruous to use pay schemes as a vehicle for alternative means of 'alignment' which can actually create a competing set of director 'duties'.

*Vote Cast: Oppose*

*Results: For: 74.5, Abstain: 0.2, Oppose/Withhold: 25.3,*

### *3. Re-appoint Deloitte LLP as auditor of the Company*

Deloitte proposed. Non-audit fees represented 1.00% of audit fees during the year under review and 0.33% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

*Vote Cast: Abstain*

*Results: For: 99.6, Abstain: 0.3, Oppose/Withhold: 0.2,*

### *11. Re-elect Ian Krieger - Senior Independent Director*

Senior Independent Director. Not considered to be independent as until 2012 Mr Krieger was a senior partner and vice chairman at Deloitte, Company's Statutory Auditors since September 2014. It is considered that a Senior Independent Director should be independent, in order to fulfil the responsibilities assigned to that role. In addition, Mr Krieger is Chair of the Audit committee, it is considered that audit committees should be comprised exclusively of independent members. Overall opposition is recommended.

*Vote Cast: Oppose*

*Results: For: 93.1, Abstain: 0.0, Oppose/Withhold: 6.9,*

### *15. Issue Shares with Pre-emption Rights*

The authority is limited to 33% of the Company's issued share capital and expires at the next AGM. Within acceptable limits. However, it is noted that in 2022 Annual General Meeting the proposed resolution received significant opposition of 14.25% of the votes and the Company did not disclose information as to how address the issue with its shareholders. Therefore abstention is recommended.

*Vote Cast: Abstain*

*Results: For: 89.1, Abstain: 0.3, Oppose/Withhold: 10.6,*

### *16. Issue Shares for Cash*

The authority sought exceeds the recommended 5% maximum of the Company's issued share capital and expires at the next AGM. An oppose vote is recommended.

*Vote Cast: Oppose*

*Results: For: 98.1, Abstain: 0.0, Oppose/Withhold: 1.9,*

### *17. Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 99.3, Abstain: 0.3, Oppose/Withhold: 0.4,

## STORA ENSO OYJ AGM - 16-03-2023

### 7. *Receive the Annual Report*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, but the annual report fails to address these concerns adequately and therefore abstention is recommended.

Vote Cast: *Abstain*

Results: For: 100.0, Abstain: 0.0, Oppose/Withhold: 0.0,

### 9. *Discharge the Board*

Standard proposal. Although no wrongdoing has been identified, the company's sustainability policies and practice are not considered to be adequate in order to minimize material risks linked to sustainability. As such, abstention is recommended on the discharge.

Vote Cast: *Abstain*

Results: For: 100.0, Abstain: 0.0, Oppose/Withhold: 0.0,

### 10. *Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 99.9, Abstain: 0.0, Oppose/Withhold: 0.1,

## PANDORA AS AGM - 16-03-2023

### 3. *Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. There are concerns regarding excess as the total variable remuneration exceeded 200% of the salary. In addition, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. Furthermore, there are no claw back clauses in place, which is against best practices. Opposition is recommended.

Vote Cast: *Oppose*

### 6.1. *Elect Peter A. Ruzicka - Chair (Non Executive)*

Non-Executive Chair of the Board. The chair holds another chair position at a listed company, which raises time commitment concerns. It is considered that the chair

should be able to wholly dedicate their time to the company in times of company crisis. The COVID pandemic has shown that there are times when multiple unrelated companies will require the Chair's full attention in order to be able to handle times of crisis. It is considered that there is insufficient time to be able to effectively chair two or more companies at the same time. For this reason, abstention is recommended.

*Vote Cast: Abstain*

### *6.3. Elect Birgitta Stymne Goransson - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

*Vote Cast: Oppose*

### *7. Election of auditor*

EY proposed. Non-audit fees represented 9.09% of audit fees during the year under review and 6.25% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

*Vote Cast: Oppose*

### *9.2. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares for 70 months. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

## **CHEIL WORLDWIDE INC AGM - 16-03-2023**

### *1. Approve Financial Statements*

At this time, the financial statements have not been made available. Although not uncommon in this market, it is considered a serious reporting omission. Opposition is recommended.

*Vote Cast: Oppose*

### *3. Approve Fees Payable to the Board of Directors*

No proposal is available at the present time. As per market practice, the proposed remuneration is likely to be made available only at the meeting. Although this is a common practice for a standard item in this market, support will not be suggested for resolutions concerning remuneration when sufficient information has not been made available for shareholders in sufficient time prior to the meeting, as such practice prevents shareholders from reaching an informed decision. Opposition from voting this resolution is recommended.



Vote Cast: *Oppose*

### HEXAGON PURUS AS EGM - 16-03-2023

#### 4. *Authorize Issuance of Convertible Loans without Pre-emptive Rights*

The board seeks authority to issue convertible bonds and to exclude subscription rights for a nominal amount corresponding to more than 10% of the share capital and for five years. As the authority would also include bonds convertible and without pre-emptive rights, the amount under this authority exceeds guidelines for issues of shares without pre-emptive rights. Opposition is recommended.

Vote Cast: *Oppose*

#### 5. *Authorize Issuance of Warrants without Pre-emptive Rights*

The board seeks authority to issue convertible bonds and to exclude subscription rights for a nominal amount corresponding to more than 10% of the share capital and for five years. As the authority would also include bonds convertible and without pre-emptive rights, the amount under this authority exceeds guidelines for issues of shares without pre-emptive rights. Opposition is recommended.

Vote Cast: *Oppose*

#### 6. *Authorize Issuance of Additional Warrants without Pre-emptive Rights*

This is considered an additional technical item related to Resolutions 4 and 5 of this Extraordinary General Meeting. The board seeks authority to issue additional convertible bonds and to exclude subscription rights for a nominal amount. As this is an additional issuance related to the previous Resolutions 4 and 5, the amount under this authority exceeds guidelines for issues of shares without pre-emptive rights.

Vote Cast: *Oppose*

### DSV A/S AGM - 16-03-2023

#### 2. *Approve Financial Statements*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the financial statements submitted to shareholders, but the financial statements fail to address these concerns and it is recommended to abstain from voting on this resolution.

Vote Cast: *Abstain*

Results: For: 99.8, Abstain: 0.2, Oppose/Withhold: 0.0,

#### 5. *Approve the Remuneration Report*

It is proposed to approve the Remuneration Report for the year 2022. The payout is in line with best practice, being under 200% of the fixed salary. There are claw

back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to over payment against underperformance. On balance, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 88.8, Abstain: 7.0, Oppose/Withhold: 4.2,

#### 6.1. *Elect Thomas Plenborg - Chair (Non Executive)*

Non-executive Chair. Not considered independent owing to a tenure of over 9 years. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Additionally, the Chair of the Board is considered accountable for the Company's sustainability programme. As the Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability. As opposition is not a valid vote option for this resolution, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 83.4, Abstain: 16.6, Oppose/Withhold: 0.0,

#### 7. *Appoint the Auditors*

PwC proposed. Non-audit fees represented 13.33% of audit fees during the year under review and 14.17% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Abstain*

Results: For: 99.1, Abstain: 0.9, Oppose/Withhold: 0.0,

#### 8.1. *Authorise Share Repurchase*

The Board of Directors proposed to acquire treasury shares of a nominal value of up to DKK 21,900,000, corresponding to 10% of the Company's share capital, provided that the Company's portfolio of treasury shares does not exceed 10% of the share capital at any time. The purchase price of treasury shares cannot deviate by more than 10% from the last recorded listed share price at the time of purchase. The new five-year authorisation will replace the existing authorisation. PIRC does not consider such authorities should be for 5 years and will only approve of authorities of up to one year. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 98.4, Abstain: 0.0, Oppose/Withhold: 1.5,

### **BANCO BILBAO VIZCAYA ARGENTARIA SA (BBVA) AGM - 16-03-2023**

#### 1.1. *Approve Financial Statements and Management Report*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the financial statements submitted to shareholders, but the financial statements fail to address these concerns and it is recommended to abstain from voting on this resolution.

Vote Cast: *Abstain*

Results: For: 99.0, Abstain: 0.6, Oppose/Withhold: 0.4,

### 1.2. *Approve Non-Financial Statements*

The non-financial statements were made available sufficiently before the meeting and include the auditor's independent verification report. However, there are serious concerns surrounding the sustainability policies and practice at the company and the lack of board level governance structure for sustainability issues. Therefore, it is considered that the non-financial statements may not accurately reflect the material and financial impact of non-traditional financial risks.

Vote Cast: *Abstain*

Results: For: 99.2, Abstain: 0.5, Oppose/Withhold: 0.3,

### 2.4. *Elect Carlos Vicente Salazar Lomelín - Non-Executive Director*

Non-Executive Director. Not considered independent as the director has a relationship with the Company, which is considered material. From 2005 Mr Lomelin is director of Grupo Financiero BBVA Bancomer, S.A. de C.V., and of BBVA Bancomer, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer, which are subsidiaries of the company. There is sufficient independent representation on the Board. However, there are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

Vote Cast: *Oppose*

Results: For: 93.8, Abstain: 0.4, Oppose/Withhold: 5.8,

### 4. *Approve Remuneration Policy 2023*

It is proposed to approve the remuneration policy. Variable remuneration appears to be consistently capped, and the payout is in line with best practice. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets for performance criteria for its variable remuneration component, which may lead to overpayment against underperformance. On balance, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 95.0, Abstain: 0.6, Oppose/Withhold: 4.4,

## **DANSKE BANK AS AGM - 16-03-2023**

### 2. *Receive the Annual Report*

Disclosure is adequate. The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are serious concerns surrounding the board-level governance of sustainability issues, policies and practice. Therefore, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, but the annual report fails to address these concerns and it is recommended to oppose this resolution.

Vote Cast: *Oppose*

Results: For: 99.8, Abstain: 0.1, Oppose/Withhold: 0.1,

### 4. *Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

Vote Cast: *Abstain*

#### 5a. *Elect Martin Blessing - Chair (Non Executive)*

Non-Executive Chair of the Board. As there is no Sustainability Committee, the Chair of the Board is considered accountable for the Company's sustainability programme. As such, given the concerns over the Company's sustainability policies and practice, a vote to abstain is recommended.

Vote Cast: *Abstain*

Results: For: 100.0, Abstain: 0.0, Oppose/Withhold: 0.0,

#### 6. *Appoint the Auditors*

Deloitte proposed. Non-audit fees represented 6.25% of audit fees during the year under review and 12.82% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Abstain*

#### 8. *Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 98.6, Abstain: 0.0, Oppose/Withhold: 1.3,

#### 10. *Approve Remuneration Policy*

It is proposed to approve the remuneration policy. Variable remuneration appears to be consistently capped, and the payout is in line with best practice. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not disclosed quantified targets for performance criteria for its variable remuneration component, which may lead to overpayment against underperformance. On balance, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 96.1, Abstain: 2.8, Oppose/Withhold: 1.1,

#### 11. *Approve Indemnification of Directors and Officers*

It is proposed to extend the insurance cover to the members of the governing bodies of all Group companies. The insurance policy covers the civil liability (and related legal and advisory expenses) of the members of the governing bodies of all Group companies versus third parties, deriving from non-fraudulent conduct in breach of the obligations deriving from the law or intrinsic to their duties. In addition, the insurance does not explicitly exclude that it would cover also liabilities arising from fraudulent conduct, and fines handed down by the supervisory authorities. On this basis, shareholders would pay wilful violations and fraudulent conduct led by directors and executives. Opposition is thus recommended.

Vote Cast: *Oppose*

Results: For: 73.2, Abstain: 26.2, Oppose/Withhold: 0.5,

## LG UPLUS CORP AGM - 17-03-2023

### 1. *Approve Financial Statements*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

Vote Cast: *Abstain*

### 2. *Amend Articles*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

Vote Cast: *Abstain*

### 3.2. *Elect Sung-soo Yoon - Non-Executive Director*

Non-Executive Director. Not considered to be independent, due to lack of disclosure. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

### 3.3. *Elect Yoon-mi Um - Non-Executive Director*

Non-Executive Director. Not considered to be independent, due to lack of disclosure. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

### 4.1. *Election Of Audit Committee Member: Yun Seong Su*

Non-Executive Director, member of the audit committee. Not considered to be independent. In terms of best practice, it is considered that the audit committee should only comprise independent members. An oppose vote is recommended.

Vote Cast: *Oppose*

### 4.2. *Election Of Audit Committee Member: Yoon-mi Um*

Non-Executive Director, member of the audit committee. Not considered to be independent. In terms of best practice, it is considered that the audit committee should only comprise independent members. An oppose vote is recommended.

Vote Cast: *Oppose*

### 5. *Approve Fees Payable to the Board of Directors*

No proposal is available at the present time. As per market practice, the proposed remuneration is likely to be made available only at the meeting. Although this is a common practice for a standard item in this market, support will not be suggested for resolutions concerning remuneration when sufficient information has not been made available for shareholders in sufficient time prior to the meeting, as such practice prevents shareholders from reaching an informed decision. Abstention from voting this resolution is recommended.

Vote Cast: *Abstain*

### **SAMSUNG C&T CORPORATION AGM - 17-03-2023**

#### *3.1. Elect Byung Suk Chung - Chair (Non Executive)*

Non-Executive Chair. Not considered independent as the director has a relationship with the Company, which is considered material. He served as an external expert at the Governance Committee since 2015. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence. Therefore, opposition is recommended.

Vote Cast: *Oppose*

#### *3.2. Elect Sang Seung Yi - Non-Executive Director*

Non-Executive Director. Not considered independent as the director has a relationship with the Company, which is considered material. He served as an external expert at the Governance Committee since 2015. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

#### *5.1. Elect Audit Committee: Sang Seung Yi*

Non-Executive Director, member of the audit committee. Not considered to be independent. In terms of best practice, it is considered that the audit committee should only comprise independent members. An oppose vote is recommended.

Vote Cast: *Oppose*

#### *5.2. Elect Audit Committee: Joon Kyung Choi*

Non-Executive Director, member of the audit committee. Not considered to be independent. In terms of best practice, it is considered that the audit committee should only comprise independent members. An oppose vote is recommended.

Vote Cast: *Oppose*

### **SAMSUNG FIRE & MARINE INS AGM - 17-03-2023**

#### *2. Adopt New Articles of Association*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

Vote Cast: *Abstain*

#### *3.1. Elect Gim So Yeong - Non-Executive Director*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

*3.2. Elect Gim Jun Ha - Executive Director*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

*4. Elect Bak Jin Hoe - Non-Executive Director*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

*5. Approve Fees Payable to the Board of Directors*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

**KIA MOTORS CORP AGM - 17-03-2023**

*1. Approve Financial Statements*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

*2. Amend Articles*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

*3.1. Elect Ju u Jeong - Executive Director*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

*3.2. Elect Sin Jae Yong - Non-Executive Director*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *3.3. Elect Jeong Chan Hyeok - Non-Executive Director*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *4.1. Elect Audit Committee member Sin Jae Yong*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *4.2. Elect Audit Committee Jeon Chan Hyeok*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *5.1. Amend Articles: Retirement allowance for directors*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *5.2. Approve Fees Payable to the Board of Directors*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

## **THK CO LTD AGM - 18-03-2023**

### *2.8. Re-Elect Kainoshou Masaaki*

Incumbent Non-Executive Director, not considered independent as the candidate's tenure exceeds nine years,. There is insufficient independent representation on the Board (less than one-third of the whole Board). Opposition is recommended.

*Vote Cast: Oppose*

## **SURESERVE PLC AGM - 21-03-2023**

### *1. Receive the Annual Report*

Disclosure is adequate and the Annual report was made available sufficiently before the meeting. The financial statements have been audited and unqualified. Although



not required to do so under AIM listing regulations, it is considered best practice for the Remuneration report to be submitted to a shareholder vote. As the Company has failed to do this, an oppose vote is recommended.

*Vote Cast: Oppose*

## *2. Appoint the Auditors*

RSM proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

*Vote Cast: Abstain*

## *12. Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment*

The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transaction if such situation arises. As this is not the case, an oppose vote is therefore recommended.

*Vote Cast: Oppose*

## *13. Authorise Share Repurchase*

The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

## *14. Amend Company Share Option Plan, Performance Share Plan and Sharesave Scheme*

The Board proposes an amendment to the following Share Incentive Schemes: the Sureserve Group plc Company Share Option Plan 2015, the Sureserve Group plc Performance Share Plan 2015, and the Sureserve Group plc Sharesave Scheme 2015. The proposed amendment would increase the limit (of the nominal value of ordinary shares issued) from 10% to 15%. The proposed increase is for the purpose of providing leeway for future grants of options and awards. However, it is not clear if this amendment would be restricted to executive employees or open to all employees. Furthermore, it is recommended that amendments to share plans be proposed separately.

*Vote Cast: Oppose*

## **NAVER CORP AGM - 22-03-2023**

### *1. Approve Financial Statements*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

*3. Approve Remuneration for Director*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

**SVENSKA HANDELSBANKEN AGM - 22-03-2023**

*8. Approve Financial Statements*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the financial statements submitted to shareholders, but the financial statements fail to address these concerns and it is recommended to abstain from voting on this resolution.

*Vote Cast: Abstain*

*12. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

*13. Authorise Acquisition of shares in the Bank for the Bank's Trading Book*

It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

*18.iv. Elect Hans Biorck - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

*Vote Cast: Oppose*

#### *18.v. Elect Pär Boman - Chair (Non Executive)*

Non-Executive Chair of the Board. The chair holds another chair position at a listed company, which raises time commitment concerns. It is considered that the chair should be able to wholly dedicate their time to the company in times of company crisis. The COVID pandemic has shown that there are times when multiple unrelated companies will require the Chair's full attention in order to be able to handle times of crisis. It is considered that there is insufficient time to be able to effectively chair two or more companies at the same time. Not considered independent owing to a tenure of over nine years. The director is also not independent as he was group CEO for the company between 2006 and 2015. Additionally, Mr. Boman is not considered independent as the director is considered to be connected with a significant shareholder: The director is Vice Chair of the Board at Industrivärden AB. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Opposition recommended.

*Vote Cast: Oppose*

#### *19. Elect Pär Boman - Chair (Non Executive)*

Non-Executive Chair of the Board. The chair holds another chair position at a listed company, which raises time commitment concerns. It is considered that the chair should be able to wholly dedicate their time to the company in times of company crisis. The COVID pandemic has shown that there are times when multiple unrelated companies will require the Chair's full attention in order to be able to handle times of crisis. It is considered that there is insufficient time to be able to effectively chair two or more companies at the same time. Not considered independent owing to a tenure of over nine years. The director is also not independent as he was group CEO for the company between 2006 and 2015. Additionally Mr. Boman is not considered independent as the director is considered to be connected with a significant shareholder: The director is Vice Chair of the Board at Industrivärden AB. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Opposition recommended.

*Vote Cast: Oppose*

#### *20. Appoint the Auditors*

Re-elect PwC and elect Deloitte proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor. Deloitte proposed as an additional auditor. It would be best practice if the auditors had been proposed for election separately. Abstention is recommended.

*Vote Cast: Abstain*

#### *21. The Board's Proposal Concerning the Appointment of Auditors in a Foundation With Associated Management*

EY is proposed as the auditor for the following foundations associated with the bank. EY is not considered independent owing to a tenure as the company's audit firm exceeding 10 years. Based on this opposition is recommended.

*Vote Cast: Oppose*

#### *22. Shareholder Resolution: Bank's IT management*

**Proponent's argument:** Shareholder Carl Axel Bruno proposes that the company changes the mainframe software, so that only the Bank has the opportunity to start a second process as long as the Bank does not know who is starting a second process.

**Company's response:** The board recommends a vote against this proposal. "The Bank constantly monitors developments within cyber-threats and fraud, as well as technical and societal developments, to ensure that the Bank's security solutions fulfil security requirements, availability requirements, etc. In the Bank's assessment,

a correction or adjustment of the software in Handelsbanken's central computers such as the shareholder is requesting would be neither correct nor necessary."

**PIRC analysis:** Sufficient information regarding the rationale, the scope or the goal of the proposal was disclosed by the shareholder, however it is not considered to be the company's responsibility whether users would keep their PIN code safe. Opposition is recommended.

*Vote Cast: Oppose*

### *23. Shareholder Resolution: integration institute with operations in the Öresund region*

**Proponent's argument:** Shareholder Tommy Jonasson proposed that the Board of Directors be instructed to participate in the formation of an integration institute with operations in the Öresund region (Landskrona - Copenhagen) and to set aside SEK 10,000,000 (ten million) of the profit for the year.

**PIRC analysis:** While no statement in response from the company has been made available at this time, insufficient information regarding the rationale, the scope or the goal of the proposal was disclosed by the shareholder and the original proposal is unclear. Opposition is recommended.

*Vote Cast: Oppose*

## **MOTOR OIL CORINTH REFINERIES EGM - 22-03-2023**

### *1. Approve the Grant of of treasury shares held by the Company to the executive Board members of the Company and top executive officers of the Company according to the provisions of article 114 of the Law 4548/2018.*

It is proposed to the shareholders to approve the grant of treasury shares held by the Company to the Executive Board members and the top Executives officers of the Company. At the time of the report no information provided for the number of shares that will be awarded or any criteria that this award has. Therefore, opposition is recommended.

*Vote Cast: Oppose*

### *2. Approve the establishment of a long-term plan granting Company treasury shares to the executive Board members of the Company, to members belonging to the top and higher managerial level of the Company or/and of the affiliated with the Company corporations.*

It is proposed to approve a new long term incentive plan for granting the Company's treasury shares. The Company has not disclosed the performance criteria for the allocation of incentives, and as such there are concerns that it may overpay for underperformance. In addition, LTIPs are not considered an effective means of incentivising performance. These schemes are not considered to be properly long term and are subject to manipulation due to their discretionary nature. Opposition is recommended.

*Vote Cast: Oppose*

### *3. Approve the establishment of a long-term plan granting Company treasury shares to the executive Board members of the Company and to Company employees as well as employees of the affiliated with the Company corporation*

It is proposed to approve a restricted share plan for employees and corporate officers. The Board would receive the authority to set beneficiaries and other conditions. The exercise of shares will be based on targets, which at this time remain undisclosed.

Plans to increase employee shareholding are considered to be a positive governance practice, as they can contribute to alignment between employees and shareholders.

On the other hand, executives are also among the beneficiaries: it is considered that support should not be given to stock or share option plans that do not lay out clear performance criteria, targets and conditions. On balance, opposition is recommended.

*Vote Cast: Oppose*

### **VALMET CORP AGM - 22-03-2023**

#### *10. Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. There are concerns regarding excess as the total variable remuneration exceeded 200% of the salary. In addition, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. Furthermore, there are no claw back clauses in place, which is against best practices. Opposition is recommended.

*Vote Cast: Oppose*

#### *13. Elect Board: Slate Election*

Proposal to renew the Board with a bundled election and reelect: Aaro Cantell (Vice Chair), Pekka Kemppainen, Monika Maurer, Mikael Makinen (Chair), Eriikka Soderstrom, Per Lindberg, Jaakko Eskola and Anu Hamalainen. There is sufficient independent representation on the Board after the meeting as resulting from this slate of candidates. However, there are concerns over potential time commitment concerns over the majority of the candidates. During the year, some of the directors seeking re-election missed board meetings without due justification being disclosed by the company. It is considered that re-election of directors should not be supported, where candidates could not prove full attendance, or adequately justify absence from board or committee meetings.

*Vote Cast: Oppose*

#### *15. Re-appoint PricewaterhouseCoopers as the Auditors*

PwC proposed. Non-audit fees represented 4.35% of audit fees during the year under review and 12.28% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

*Vote Cast: Oppose*

#### *16. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

### 17. *Reissue of Treasury Shares with Pre-emption Rights Disapplied*

It is proposed to give authority to issue new shares or redistribute the shares repurchased under the authority submitted in the previous resolution. The Board will maintain full discretion over the use and destination of repurchased shares. The authority is valid up to next AGM. This is of concern as the Board could use this authority as an anti-takeover device or for an inappropriate form of compensation without further shareholder approval. On this basis, opposition is recommended.

Vote Cast: *Oppose*

## STARBUCKS CORPORATION AGM - 23-03-2023

### 1c. *Elect Beth Ford - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

Vote Cast: *Oppose*

Results: For: 99.4, Abstain: 0.2, Oppose/Withhold: 0.4,

### 1d. *Elect Mellody Hobson - Chair (Non Executive)*

Non-executive Chair. Not considered independent as Ms. Hobson has served as chair of the board since 17 March 2021. Furthermore, not considered independent owing to a tenure as board member of over nine years. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Additionally, there are concerns over Ms. Hobson's time commitments. Oppose is recommended.

Vote Cast: *Oppose*

Results: For: 91.9, Abstain: 0.3, Oppose/Withhold: 7.8,

### 1e. *Elect Jørgen Vig Knudstorp - Non-Executive Director*

Independent Non-Executive Director. Chair of the Nominating Committee. As the Chair of the Nominating Committee is considered to be accountable for the Company's sustainability programme, and given that the Company's sustainability policies and practice are not considered to be adequate in order to minimize material risks linked to sustainability, an abstain vote is recommended.

Vote Cast: *Abstain*

Results: For: 84.2, Abstain: 0.2, Oppose/Withhold: 15.5,

### 1g. *Elect Laxman Narasimhan - Chief Executive*

Chief Executive.

During the year under review, there have been allegations over the company's labour practices. While no wrongdoing has been identified at this time, there are concerns about how potentially failing to meet expectations in labour management could impact the company's ability to retain or attract talents, as well as its reputation. It is considered that the company should not rely on compliance with law as a minimum, but aiming at best practice. Owing to these concerns, abstention on the Chief Executive is recommended.

Vote Cast: *Abstain*

Results: For: 98.9, Abstain: 0.2, Oppose/Withhold: 0.8,

## 2. *Advisory Vote on Executive Compensation*

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: ADA. Based on this rating, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 84.9, Abstain: 0.6, Oppose/Withhold: 14.6,

## 4. *Appoint the Auditors*

Deloitte proposed. Non-audit fees represented 0.81% of audit fees during the year under review and 1.45% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Oppose*

Results: For: 96.3, Abstain: 0.2, Oppose/Withhold: 3.5,

## 7. *Shareholder Resolution: Annual Reports on Company Operations in China*

**Proponent's argument:** Shareholders request that, beginning in 2023, Starbucks Corporation report annually to shareholders on the nature and extent to which corporate operations depend on, and are vulnerable to, Communist China, which is a serial human rights violator, a geopolitical threat, and an adversary to the United States. "Starbucks has 5,400 stores in over 200 cities across China, and relies on raw materials, finished products, labor and/or services from entities in the communist nation. China is an established serial violator of human and political rights. •China is also a hostile adversary of the U.S. for many reasons, including: •China intends to displace the U.S. as the lone global superpower by 2049; •The U.S. has committed to defend Taiwan, which China has militaristically asserted is part of its country and may attempt to seize by force; •U.S.-China relations are tense over a number of issues including China's military expansion; egregious human rights violations; actions related to the COVID pandemic; intellectual property theft; relentless espionage; elimination of freedom in Hong Kong; and environmental pollution. China has also indicated that it would use its industrial capabilities for strategic purposes against adversaries. Many Chinese companies - which are ultimately under the control of the Communist government-are vulnerable to the U.S. Holding Foreign Companies Accountable Act, do not adhere to basic auditing standards, and are therefore untrustworthy. China - and by extension the companies it controls - is also identified in the U.S. State Department's 2022 Trafficking in Persons Report as a state sponsor of human trafficking. It is now subject to the Uyghur Forced labor Prevention Act, which imposes strict verification of parts and products imported from China, that they are not generated from slave labor. Starbucks's extensive ties to China breed reputational risk for the company also. For example, while the company funds groups that promote the interests of homosexual and transgender individuals, the Communist government persistently and vigorously cracks down on those forms of identity within its borders."

**Company's response:** The board recommended a vote against this proposal. "U.S. securities laws are grounded in the idea that publicly traded companies have an obligation to disclose material information to shareholders. Generally, those disclosure obligations begin under the Securities Act of 1933, as amended (the "Securities Act"), with a company's initial public offering, and continue under the Securities Exchange Act so long as a company has shares listed on a U.S. securities exchange, which, in Starbucks case, is Nasdaq. We primarily fulfill our ongoing disclosure obligations through proxy statements such as this one, our annual reports on form 10-K, our quarterly reports on form 10-Q, and periodic reports on form 8-K. Securities and Exchange Commission ("SEC") regulations require us to include in our filings information about material factors that make an investment in Starbucks speculative or risky, and we have a well-developed process for identifying and disclosing those risks. Our most recent annual report on form 10-K, which we filed on November 18, 2022, includes disclosure regarding our operations in China to the extent that they are material to Starbucks, including the number of Starbucks stores in China, net revenues derived from China, and trends in store sales in China. Additionally, our form 10-K includes disclosure of numerous risk factors with respect to our operations in China, including with respect to macroeconomic conditions, the COVID-19 pandemic, US-China relations, and governmental regulations."

**PIRC analysis:** The requested disclosure on the involvement with businesses in China as a human rights violator appears to be a spoiler resolution to prevent other

shareholders from filing resolutions regarding the company's involvement on human rights controversial activities globally and focuses on geopolitical threats with the clear intent to ensure that conservative views on international relations be represented within the company's global activities, as opposed to promoting transparency and accountability around the potential benefits of global operations conducted fairly, and requesting transparency over the financial impact from non-traditionally financial issues to avoid any suspicion and any damage that may cause to the company's reputation. A report on the human rights impact of the company's operations that may be potentially complicit in China's human rights abuses would be in shareholders' interests, but such a proposal does not seem to be in the interest of the proponent. Rather, this proposal appears to use human rights as an argument to ask the company to withdraw from doing business with China, in a view that considered it to be a geopolitical threat to the US and without actual interest in human rights in that country.

Vote Cast: *Oppose*

Results: For: 4.4, Abstain: 1.7, Oppose/Withhold: 93.8,

### **BANCO DE CHILE AGM - 23-03-2023**

#### *5. Approve Statutory Auditors Special Report on Regulated Agreements and Approval of New Agreement*

The report of the auditors was not made available sufficiently before the meeting. Opposition is recommended, as this is considered a serious reporting omission.

Vote Cast: *Oppose*

#### *6. Renewal of the Term of Office of SAS SIFI as Diretor*

The biographical information disclosed on this candidate is considered to be insufficient. Regardless of the level of independence on the Board, this is considered a serious lack of information. Opposition is recommended.

Vote Cast: *Oppose*

#### *7. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares for a maximum amount of EUR 20,775,500.00. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

#### *9. Approve Authority to Increase Authorised Share Capital and Issue Shares*

It is proposed to authorise the Board to increase share capital and issue shares. At this time, the company has not disclosed whether successive increases would be carried out with or without pre-emptive rights. As such, the aggregate authority may exceed recommended limits for issues with or without pre-emptive rights. An oppose vote is therefore recommended.

Vote Cast: *Oppose*

#### *10. Issue Shares with Pre-emption Rights and for Cash with Shareholders Preferential Subscription Rights*

It is proposed to authorise the board issue shares with pre-emption rights and for cash. At this time, the company has not disclosed whether successive increases



would be carried out with or without pre-emptive rights. As such, the aggregate authority may exceed recommended limits for issues with or without pre-emptive rights. An oppose vote is therefore recommended.

*Vote Cast: Oppose*

#### *11. Issue Shares with Pre-emption Rights and for Cash without Shareholders Preferential Subscription Rights*

It is proposed to authorise the board issue shares with pre-emption rights and for cash. At this time, the company has not disclosed whether successive increases would be carried out with or without pre-emptive rights. As such, the aggregate authority may exceed recommended limits for issues with or without pre-emptive rights. An oppose vote is therefore recommended.

*Vote Cast: Oppose*

#### *12. Authorisation to Increase the Amount of Issuances*

It is proposed authorisation to increase the amount of issuances. At this time, the company has not disclosed whether successive increases would be carried out with or without pre-emptive rights. As such, the aggregate authority may exceed recommended limits for issues with or without pre-emptive rights. An oppose vote is therefore recommended.

*Vote Cast: Oppose*

#### *13. Issuance of Shares for Existing Incentive Plan*

It is proposed authorisation to issue of shares for existing incentive plans. At this time, the company has not disclosed whether successive increases would be carried out with or without pre-emptive rights. As such, the aggregate authority may exceed recommended limits for issues with or without pre-emptive rights. An oppose vote is therefore recommended.

*Vote Cast: Oppose*

#### *14. Approve Issue of Shares for Private Placement*

The Board requests authority to approve an authority for the issue of shares by private placement. This authority is not requested in connection with a particular operation and has not been duly justified by the Company. Opposition is therefore recommended.

*Vote Cast: Oppose*

#### *15. Amend Articles*

The Board proposes to amend Articles related to Statutory Thresholds. The Company has not disclosed details regarding the amendment. When proposing amendments to the Articles, it is expected that Companies disclose a comparative version of the Articles, before and after the amendments. Therefore, opposition is recommended based on lack of disclosure.

*Vote Cast: Oppose*

**BB BIOTECH AG AGM - 23-03-2023****4.2. *Elect Clive Meanwell - Vice Chair (Non Executive)***

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

Vote Cast: *Oppose*

**5.1. *Elect Remuneration Committee Member: Clive Meanwell***

Non-Executive Director, candidate to the Remuneration Committee on this resolution. Additionally, there are some time commitment concerns. It is considered that the Remuneration Committee should consist exclusively of independent members. Opposition is recommended.

Vote Cast: *Oppose*

**CARGOTEC CORP AGM - 23-03-2023****10. *Approve the Remuneration Report***

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

Vote Cast: *Abstain*

**16. *Appoint the Auditors: Ernst & Young Oy***

EY proposed. Non-audit fees represented 31.43% of audit fees during the year under review and 39.13% on a three-year aggregate basis. This level of non-audit fees raises some concerns about the independence of the statutory auditor.

Vote Cast: *Abstain*

**18. *Authorise Share Repurchase***

It is proposed to authorise the Board to purchase Company's shares for 18 months. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

**20. *Donations for charitable purposes***

The board proposes to donate EUR 100,000 for charitable purposes. As the Company's explanation is not considered sufficient, opposition is recommended.

Vote Cast: *Oppose*

### ABB LTD AGM - 23-03-2023

#### 1. *Receive the Annual Report*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, but the annual report fails to address these concerns adequately and therefore abstention is recommended.

Vote Cast: *Abstain*

Results: For: 98.8, Abstain: 1.1, Oppose/Withhold: 0.1,

#### 2. *Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 91.5, Abstain: 1.4, Oppose/Withhold: 7.1,

#### 6. *Approve Capital Band*

It is proposed to approve the capital range, and disapply pre-emptive rights for a portion of this range. Under the revised Swiss corporate law, shareholders may authorise the Board of Directors to increase or reduce the authorised share capital within a certain range, for a period of up to five years. The board has proposed a capital range of CHF 212,192,469 and CHF 259,346,349, to last for five years following the date of the upcoming meeting. The restriction of pre-emption rights does not exceed 10% of share capital. However, the duration of the authority exceeds 12 months. It is considered that shareholders should have the opportunity to vote on such resolutions annually. As the time limit for the exclusion of pre-emptive rights exceeds guidelines, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 96.7, Abstain: 1.1, Oppose/Withhold: 2.1,

#### 7.2. *Approve Remuneration of Executive Committee in the Amount of CHF 43.9 Million*

It is proposed to approve the prospective remuneration for members of the Executive Management of the Company, which means that the proposed amount will not be the actual amount to be paid, but only the total remuneration cap. It is proposed to approve the prospective remuneration for members of the Executive Management of the Company, which means that the proposed amount will not be the actual amount to be paid, but only the total remuneration cap. The voting outcome of this resolution will be binding for the Company.

It is proposed to fix the remuneration of members of the Executive Committee until next AGM at CHF 43,900,000 million (CHF 45,900,000 million was proposed last year). This proposal includes fixed and variable remuneration components.

Variable remuneration appears to be consistently capped, however there are excessiveness concerns as the total potential variable remuneration may exceed 200% of the salary. In addition, the Company has not disclosed quantified targets for performance criteria for its variable remuneration component, which may lead to

overpayment against underperformance. Furthermore, malus and clawback conditions, under which pay can be reclaimed under certain circumstances, do not appear to be extended to the short-term variable remuneration. On balance, opposition is recommended based on excessiveness concerns.

Vote Cast: *Oppose*

Results: For: 93.7, Abstain: 1.2, Oppose/Withhold: 5.1,

#### 8.5. *Elect Denise Johnson - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

Vote Cast: *Oppose*

Results: For: 95.6, Abstain: 1.1, Oppose/Withhold: 3.3,

#### 8.8. *Re-elect David Meline - Non-Executive Director*

Independent Non-Executive Director.

During the year under review, the company has been found guilty of bribery. While the full impact of this decision is yet to be ascertained, there are concerns about the sufficiency of the board-level oversight of ethical and fair conduct with cultural understanding. The Audit Committee is considered responsible for overseeing the company's compliance policies, including through effective whistleblower policies. Owing to the apparent failure or inaction, opposition is recommended to the re-election of the Audit Committee Chair.

Vote Cast: *Oppose*

Results: For: 98.7, Abstain: 1.1, Oppose/Withhold: 0.2,

#### 8.10. *Re-elect Peter Voser - Chair (Non Executive)*

Non-Executive Chair. Not consider independent as Mr. Voser was a former executive of the company and interim CEO the period April 17, 2019 until 1 March 2020. The Chair is not considered to be independent and it is a generally accepted norm of good practice that a Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Being a non-independent Chair is considered to be incompatible with this.

In addition, as chair of the Governance and Nomination Committee, the Chair is considered to be accountable for the Company's sustainability programme, and the Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability. Owing to all of the above, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 91.1, Abstain: 1.1, Oppose/Withhold: 7.8,

#### 11. *Re-appoint KPMG as the Auditors*

KPMG proposed. Non-audit fees represented 24.86% of audit fees during the year under review and 31.93% on a three-year aggregate basis. This level of non-audit fees raises some concerns about the independence of the statutory auditor.

Vote Cast: *Abstain*

Results: For: 98.6, Abstain: 1.1, Oppose/Withhold: 0.3,

## **NOVO NORDISK A/S AGM - 23-03-2023**

### ***2. Receive the Annual Report***

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, but the annual report fails to address these concerns adequately and therefore abstention is recommended.

*Vote Cast: Abstain*

### ***4. Approve the Remuneration Report***

It is proposed to approve the annual report on remuneration of Executive and Non-Executive directors with an advisory vote. There are excessiveness concerns as the total variable remuneration exceeded 200% of the salary for the highest paid director. The Company has fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, opposition is recommended based on excessive remuneration.

*Vote Cast: Oppose*

### ***5.3. Approve Remuneration Policy***

It is proposed to approve the remuneration policy. Variable remuneration appears to be consistently capped, although the payout may exceed 200% of fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. The Company has disclosed quantified targets for performance criteria for the entirety of its variable remuneration component. Nevertheless, opposition is recommended based on excessiveness concerns.

*Vote Cast: Oppose*

### ***6.1. Elect Helge Lund - Chair (Non Executive)***

Non-Executive Chair of the Board. As there is no Sustainability Committee, the Chair of the Board is considered accountable for the Company's sustainability programme. There are concerns over the Company's sustainability policies, which are not considered adequate to minimise the material risks linked to sustainability. Additionally, on 12 January 2023, California's attorney general announced it is suing Novo Nordisk for using their market power to overcharge for insulin. California Attorney General Rob Bonta said the companies are finding ways to "aggressively hike" the price of insulin at the expense of many patients. The Chair is considered to have supervisory responsibility of this issue, therefore a vote to abstain is recommended.

*Vote Cast: Abstain*

### ***6.2. Elect Henrik Poulsen - Vice Chair (Non Executive)***

Independent Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder is a non-executive director in Novo Holdings A/S which holds a significant stake of the Company's issued share capital. Also, there are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year. As opposition is not a valid vote option for this resolution, abstention is recommended.

*Vote Cast: Abstain*

### *6.3c. Elect Sylvie Gregoire - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year. As opposition is not a valid vote option for this resolution, abstention is recommended.

*Vote Cast: Abstain*

### *7. Appoint the Auditors*

Deloitte proposed. Non-audit fees represented 27.27% of audit fees during the year under review and 33.64% on a three-year aggregate basis. This level of non-audit fees raises some concerns about the independence of the statutory auditor.

*Vote Cast: Abstain*

### *8.2. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares for 10% and until the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

## **GJENSIDIGE FORSIKRING AGM - 23-03-2023**

### *7. Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

**Results: For: 95.8, Abstain: 0.4, Oppose/Withhold: 3.8,**

### *8. Approve guidelines for stipulating the remuneration of executive personnel*

It is proposed to approve the remuneration policy. Variable remuneration appears to be consistently capped, and the payout is in line with best practice. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets for performance criteria for its variable remuneration component, which may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

**Results: For: 95.7, Abstain: 0.4, Oppose/Withhold: 3.9,**

#### 9.b. *Purchase Own Shares to Implement Group's Share Savings Programme*

It is proposed to authorise the Board to purchase the Company's shares until next AGM for the purpose of funding the incentive program, and encourage employee to be shareholders in the company. Plans to increase employee shareholding are considered to be a positive governance practice, as they can contribute to alignment between employees and shareholders. On the other hand, executives are also among the beneficiaries, the Company has not disclosed quantified targets or performance criteria for its variable remuneration component, which may lead to overpayment against underperformance. On balance opposition is recommended.

Vote Cast: *Oppose*

Results: For: 99.9, Abstain: 0.0, Oppose/Withhold: 0.1,

#### 9.c. *Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until 30 June 2024. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 99.9, Abstain: 0.0, Oppose/Withhold: 0.1,

#### 10.a. *Elect Board: Slate Election*

Proposal to renew the Board with a bundled election. Although slate elections are not considered to be best practice, they are common in this market. There is insufficient independent representation on the Board after the meeting as resulting from this slate of candidates.

Vote Cast: *Oppose*

Results: For: 93.4, Abstain: 0.0, Oppose/Withhold: 6.6,

#### 10.b.i. *Elect Nomination Committee Chair: Trine Riis Groven*

Sufficient biographical information has been disclosed and the candidate is not considered to be independent, as they serve as Chair of the Board of Gjensidige Foundation, the controlling shareholder. There is insufficient independent representation on the Nomination Committee. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 100.0, Abstain: 0.0, Oppose/Withhold: 0.0,

#### 10.b.ii. *Elect Nomination Committee Member: Iwar Arnstad*

Sufficient biographical information has been disclosed and the candidate is not considered to be independent, as they serve as Chair of the Nomination Committee of Gjensidige Foundation, the controlling shareholder. There is insufficient independent representation on the Nomination Committee. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 100.0, Abstain: 0.0, Oppose/Withhold: 0.0,

#### 10.b.ii. *Elect Nomination Committee Member: Pernille Moen Masdal*

Sufficient biographical information has been disclosed and the candidate is not considered to be independent, as they serve as portfolio manager of Folketrygdfondet, a significant shareholder. There is insufficient independent representation on the Nomination Committee. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 100.0, Abstain: 0.0, Oppose/Withhold: 0.0,

#### 10.c. *Re-appoint Deloitte as the Auditors*

Deloitte proposed. Non-audit fees represented 30.00% of audit fees during the year under review and 20.67% on a three-year aggregate basis. This level of non-audit fees raises some concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Abstain*

Results: For: 96.2, Abstain: 0.0, Oppose/Withhold: 3.7,

### **CEMEX SAB DE CV AGM - 23-03-2023**

#### 4. *Authorise Set Maximum Amount for Share Repurchase Reserve*

It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

#### 6. *Elect Board: Slate Election*

Proposal to renew the Board with a bundled election. Although slate elections are not considered to be best practice, they are common in this market. There is insufficient independent representation on the Board after the meeting as resulting from this slate of candidates.

Vote Cast: *Oppose*

#### 7. *Elect Audit Committee*

It is proposed to appoint the members and char of the Audit Committee via slate election. Individual election would be preferred and the majority of the candidates are not considered to be independent. Opposition is recommended.

Vote Cast: *Oppose*

#### 8. *Elect Corporate Practices and Finance Committee*

It is proposed to appoint the members and char of the Corporate Practices and Finance Committee via slate election. Individual election would be preferred and the majority of the candidates are not considered to be independent. Opposition is recommended.

Vote Cast: *Oppose*

#### 9. *Elect Sustainability, Climate Action, Social impact and Diversity Committee*

It is proposed to appoint the members and char of the Sustainability, Climate Action, Social impact and Diversity Committee via slate election. Individual election would be preferred and the majority of the candidates are not considered to be independent. Opposition is recommended.

Vote Cast: *Oppose*



## **NKT HOLDING A/S AGM - 23-03-2023**

### *5. Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

### *7. Approve Fees Payable to the Board of Directors for 2023*

It is proposed to increase the amount payable to the Board of Directors by more than 10% on annual basis. The increase is considered material and exceeds guidelines, while the company has not duly justified it. Therefore, opposition is recommended.

*Vote Cast: Oppose*

### *8.A. Re-elect Jens Due Olsen - Chair (Non Executive)*

Non-Executive Chair. Not considered independent as owing to a tenure of over nine years. There is sufficient independent representation on the Board. However, there are concerns over the director's potential aggregate time commitments and the director could not prove full attendance of board and committee meetings during the year.

*Vote Cast: Oppose*

### *8.B. Elect René Svendsen-Tune - Vice Chair (Non Executive)*

Independent Non-Executive Vice Chair. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

*Vote Cast: Oppose*

### *8.E. Re-elect Jens Maaloe - Non-Executive Director*

Non-Executive Director. Not considered independent as owing to a tenure of over nine years. There is sufficient independent representation on the Board. However, there are concerns over the director's potential aggregate time commitments and the director could not prove full attendance of board and committee meetings during the year.

*Vote Cast: Oppose*

### *10.1. Amend Articles*

The board seeks to approve amendments to the articles of association in order to allow the board directors to increase the authorisation of the Board of Directors

to increased share capital through one or more issues of new shares for cash consideration with pre-emptive rights for the Company's existing shareholders for the existing shareholders and thereby amend articles 3.A.1 and 3 C. This authorisation shall be valid until 25 March 2026 or such earlier date where the Company's annual general meeting in 2026 is held.

Authority to issue shares without pre-emptive rights is proposed for less than 10% of the current share capital. However; the duration of the authority exceeds 12 months. It is considered that shareholders should have the occasion to vote on such resolutions annually.

*Vote Cast: Oppose*

#### *11. Transact Any Other Business*

Shareholders should receive sufficient notice of proposals brought forward by either management or other shareholders. As such, any other proposition brought forward in the meeting would provide insufficient time for an informed assessment. Opposition is recommended.

*Vote Cast: Oppose*

### **NORDEA BANK ABP AGM - 23-03-2023**

#### *7. Approve Financial Statements*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the financial statements submitted to shareholders, but the financial statements fail to address these concerns and it is recommended to abstain from voting on this resolution.

*Vote Cast: Abstain*

*Results: For: 99.9, Abstain: 0.0, Oppose/Withhold: 0.1,*

#### *13.e. Elect Birger Steen - Non-Executive Director*

Chair of the Sustainability Committee. Although there are concerns over potential aggregate time commitments, this director has attended all Board and committee meetings during the year under review. The Chair of the Sustainability Committee is considered to be accountable for the Company's sustainability programme, and the Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability, an abstain vote is recommended.

*Vote Cast: Abstain*

*Results: For: 95.6, Abstain: 0.0, Oppose/Withhold: 4.4,*

#### *15. Appoint the Auditors*

PwC proposed. Non-audit fees represented 12.50% of audit fees during the year under review and 12.50% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

*Vote Cast: Abstain*

*Results: For: 100.0, Abstain: 0.0, Oppose/Withhold: 0.0,*

## 20. Authorise Share Repurchase

It is proposed to authorise the Board to purchase Company's shares for 18 months. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 99.0, Abstain: 0.0, Oppose/Withhold: 1.0,

## SYDBANK AS AGM - 23-03-2023

### 5.1. Election of members to the Shareholders' Committee: Fyn Odense: Steen Bjerregaard

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

Vote Cast: *Abstain*

### 6. Appoint the Auditors

PwC proposed. No non-audit fees were paid to the auditors in the year under review and 30.00% on a three-year aggregate basis. This level of non-audit fees raises some concerns about the independence of the statutory auditor.

Vote Cast: *Abstain*

### 8. Authorise Share Repurchase

It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

### 5.2. Election of members to the Shareholders' Committee: Fyn- Svendborg: Michael Ahlefeldt Laurvig Bille

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

Vote Cast: *Abstain*

### 5.11. Election of members to the Shareholders' Committee: Midtjylland: Rasmus Normann Andersen

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process

and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

#### *5.3. Election of members to the Shareholders' Committee: Kim Galsgaard*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

#### *5.10. Election of members to the Shareholders' Committee: Midtjylland: Tina Schmidt Madsen*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

#### *5.4. Election of members to the Shareholders' Committee:Horsens: Thomas Iversen*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

#### *5.5. Election of members to the Shareholders' Committee: Hovedstaden:Soren Holm*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

#### *5.6. Election of members to the Shareholders' Committee: Hovedstaden: Mette Grunnet, New Member*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

*5.9. Election of members to the Shareholders' Committee: Kolding: Peter Thorning, New Member*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

*5.7. Election of members to the Shareholders' Committee: Kolding: Peter Gaemelke*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

*5.8. Election of members to the Shareholders' Committee: Kolding: Jesper Hansson*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

*5.12. Election of members to the Shareholders' Committee: Nordjylland: Anders Hedegaard Petersen, New Member*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

*5.18. Election of members to the Shareholders' Committee: Sonderjylland: Michael Madsen*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

*5.13. Election of members to the Shareholders' Committee: Sjaelland: Ole Schou Mortensen*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

*5.17. Election of members to the Shareholders' Committee: Sonderjylland: Erwin Andersen*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

*5.15. Election of members to the Shareholders' Committee: Sonderborg: Peter Erik Hansen*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

*5.14. Election of members to the Shareholders' Committee: Sonderborg: Per Have*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

*5.16. Election of members to the Shareholders' Committee: Sonderborg: Henning Hojbjerg Kristensen, New Member*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain

*Vote Cast: Abstain*

*5.19. Election of members to the Shareholders' Committee: Sonderjylland: Jan Gerber*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

*5.28. Election of members to the Shareholders' Committee: Vestjylland: Willy Stockler*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process

and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

*5.20. Election of members to the Shareholders' Committee: Sonderjylland: Peter Therkelsen*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

*5.22. Election of members to the Shareholders' Committee: Sonderjylland: Per Sorensen*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

*5.26. Election of members to the Shareholders' Committee: Vestjylland: Michael Kvist*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

*5.21. Election of members to the Shareholders' Committee: Sonderjylland: Jesper Arkil*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

*5.23. Election of members to the Shareholders' Committee: Sonderjylland: Jan Muller*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

#### *5.24. Election of members to the Shareholders' Committee: Vestjylland: Frans Bennetsen*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

#### *5.27. Election of members to the Shareholders' Committee: Vestjylland: Erik Steen Kristensen*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

#### *5.25. Election of members to the Shareholders' Committee: Vestjylland: Mia Dela Jensen*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

#### *5.29. Election of members to the Shareholders' Committee: Vestjylland: Flemming Jensen*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

#### *5.32. Election of members to the Shareholders' Committee: Aarhus: Henrik Hoffman*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

#### *5.31. Election of members to the Shareholders' Committee: Aarhus: Mikkel Grene*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.



*Vote Cast: Abstain*

*5.30. Election of members to the Shareholders' Committee: Vestjylland: Gitte Kirkegaard, New Member*

All the candidates for election by shareholders at the meeting are representatives of regional divisions of the bank. Given the concerns over the nomination process and the level of independence on the Board if the shareholders committee represents only regional banks and the board of directors is drawn only from the shareholder committee members it is recommended to abstain.

*Vote Cast: Abstain*

**BLACKROCK THROGMORTON TRUST PLC AGM - 23-03-2023**

*1. Receive the Annual Report*

A dividend was put forward for shareholder's approval, which is welcomed. The company have disclosed a voting policy indicating how they vote on issues relating to investment and investee companies. In addition, it is noted ESG matters are taken into account in investment decisions which is welcomed. Administration and company secretarial duties are undertaken by the Investment Manager of the company. Independence from the management company is considered a key governance issue affecting investment trusts and to ensure that the management company is not used as a conduit for shareholder communication with the board. Where administrative duties are carried out by the company related to the manager, opposition is recommended.

*Vote Cast: Oppose*

**Results: For: 94.1, Abstain: 0.0, Oppose/Withhold: 5.9,**

*11. Re-appoint PricewaterhouseCoopers LLP as Auditor to the Company*

PwC proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

*Vote Cast: Oppose*

**Results: For: 94.0, Abstain: 0.1, Oppose/Withhold: 6.0,**

### 15. *Authorise Share Repurchase*

Authority is sought to repurchase up to 14.99% of the issued share capital. The authority would expire at the next AGM. Before considering approval of buybacks (and this should come from the board, not the manager), we would like to see a public statement:

- addressing how much of the discount can be explained by capitalisation of the costs (the Total Expense Ratio),
- setting out why the board believes that the performance of the incumbent management is not a contributory factor to the discount, and
- setting out how the current fee structure might be contributing to the discount, for example some investment companies cap management fees, or reduce the manager fee the larger the fund gets,
- setting out the effect of prior year buybacks to help determine the effectiveness of prior buybacks.

Vote Cast: *Oppose*

Results: For: 99.9, Abstain: 0.0, Oppose/Withhold: 0.0,

## SKF AB AGM - 23-03-2023

### 16. *Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, under 200% of the fixed salary. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. In addition, there are no claw back clauses in place over the entirety of the variable remuneration component which makes it unlikely that shareholders will be able to reclaim any variable remuneration unfairly paid out. On this basis, opposition is recommended.

Vote Cast: *Oppose*

### 17. *Approve Executive Performance Share Programme 2023*

The Board proposes the approval of a new incentive plan. Under the plan, the CEO and other executives will be awarded options/rights to receive shares, which will start vesting after three years from the date of award. The Company does not disclose clear performance criteria but only a list of indicators, which makes it impossible to assess clearly the link between pay and performance and is deemed a serious frustration of shareholder accountability.

LTIP based schemes are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the Company (creating capital and - lawful - dividends). They act as a complex and opaque hedge against absolute Company underperformance and long-term share price falls. They are also a significant factor in reward for failure.

Vote Cast: *Oppose*

## ORION CORP (SOUTH KOREA) AGM - 23-03-2023

### 1. *Approve Financial Statements*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

Vote Cast: *Abstain*

### *2.2. Elect Heo Yong-seok - Non-Executive Director*

Non-Executive Director. Not considered independent due to a lack of disclosure. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

### *3. Elect Audit Committee: No Seung Gwon*

Non-Executive Director, member of the audit committee. Not considered to be independent. In terms of best practice, it is considered that the audit committee should only comprise independent members. An oppose vote is recommended.

*Vote Cast: Oppose*

### *4. Elect Audit Committee member: Heo Yong Seok*

Non-Executive Director, member of the audit committee. Not considered to be independent. In terms of best practice, it is considered that the audit committee should only comprise independent members. An oppose vote is recommended.

*Vote Cast: Oppose*

### *5. Approval of Remuneration for Directors*

No proposal is available at the present time. As per market practice, the proposed remuneration is likely to be made available only at the meeting. Although this is a common practice for a standard item in this market, support will not be suggested for resolutions concerning remuneration when sufficient information has not been made available for shareholders in sufficient time prior to the meeting, as such practice prevents shareholders from reaching an informed decision. Abstention from voting this resolution is recommended.

*Vote Cast: Abstain*

## **TAEYOUNG ENGINEERING & CONST AGM - 24-03-2023**

### *1. Approve Financial Statements*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *2. Re-elect Seok Min Yoon - Chair (Executive)*

Executive Chair. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Holding an executive position is incompatible with this and a vote to Oppose is recommended.

*Vote Cast: Oppose*

### *3. Approve Fees Payable to the Director Yun Seok Min*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

## **HANA FINANCIAL HOLDINGS AGM - 24-03-2023**

### *1. Approve Financial Statements*

At this time, the financial statements have not been made available in English. Although not uncommon in this market, it is considered a serious reporting omission. Opposition is recommended.

*Vote Cast: Oppose*

### *2. Amend Articles*

The Board proposes to amend Articles. The Company has not disclosed details regarding the amendment in English. When proposing amendments to the Articles, it is expected that Companies disclose a comparative version of the Articles, before and after the amendments. Therefore, opposition is recommended based on lack of disclosure.

*Vote Cast: Oppose*

### *3.7. Elect I Jun Seo - Non-Executive Director*

Non-Executive Director. Not considered to be independent based on insufficient information. Although there is sufficient independence on the Board, it is considered that shareholders should be provided with sufficient biographical information on candidates, in order to make an informed assessment on the candidates' independence and profile. On this basis, abstention is recommended.

*Vote Cast: Abstain*

### *3.8. Elect I Seung Yeol - Non-Permanent Director*

Non-Executive Director. Not considered to be independent based on insufficient information. Although there is sufficient independence on the Board, it is considered that shareholders should be provided with sufficient biographical information on candidates, in order to make an informed assessment on the candidates' independence and profile. On this basis, abstention is recommended.

*Vote Cast: Abstain*

### *5.1. Elect Audit Committee Member Heo Yun*

In terms of best practice it is considered that it should comprise only independent directors. No information has been disclosed in regards to the candidates to the Committee. Abstention is thus recommended.

*Vote Cast: Abstain*

#### *5.2. Elect Audit Committee Member Won Suk Yeon*

In terms of best practice it is considered that it should comprise only independent directors. No information has been disclosed in regards to the candidates to the Committee. Abstention is thus recommended.

*Vote Cast: Abstain*

#### *5.3. Elect Audit Committee Member I Jun Seo*

In terms of best practice it is considered that it should comprise only independent directors. No information has been disclosed in regards to the candidates to the Committee. Abstention is thus recommended.

*Vote Cast: Abstain*

#### *6. Approve Remuneration of Directors*

No proposal is available at the present time. As per market practice, the proposed remuneration is likely to be made available only at the meeting. Although this is a common practice for a standard item in this market, support will not be suggested for resolutions concerning remuneration when sufficient information has not been made available for shareholders in sufficient time prior to the meeting, as such practice prevents shareholders from reaching an informed decision. Abstention from voting this resolution is recommended.

*Vote Cast: Abstain*

### **OSSTEM IMPLANT CO LTD AGM - 24-03-2023**

#### *1. Approve Financial Statements*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

#### *2. Approve Partial Amendment of the Articles*

The Company has not disclosed details regarding the amendment. When proposing amendments to the Articles, it is expected that Companies disclose a comparative version of the Articles, before and after the amendments. Therefore, opposition is recommended based on lack of disclosure.

*Vote Cast: Oppose*

#### *3.1. Elect Tae-Gwan Eom - Chair & Chief Executive*

Chair and CEO. Combined roles at the head of the Company. There should be a clear division of responsibilities at the head of the Company between the running of the board and the executive responsibility for the running of the Company's business. No one individual should have unfettered powers of decision. Combining the two roles in one person represents a concentration of power that is potentially detrimental to board balance, effective debate, and board appraisal.

*Vote Cast: Oppose*

*3.2. Elect Kim Gwang Il - Non-Executive Director*

Non-Executive Director. Not considered to be independent, due to lack of disclosure. Additionally, not considered to be independent, as the Company has not disclosed the date of first appointment and, as such, a potentially excessive tenure cannot be calculated. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*3.3. Elect Kim Soom In - Non-Executive Director*

Non-Executive Director. Not considered to be independent, due to lack of disclosure. Additionally, not considered to be independent, as the Company has not disclosed the date of first appointment and, as such, a potentially excessive tenure cannot be calculated. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*3.4. Elect Lee Jang Hyuk - Non-Executive Director*

Non-Executive Director. Not considered to be independent, due to lack of disclosure. Additionally, not considered to be independent, as the Company has not disclosed the date of first appointment and, as such, a potentially excessive tenure cannot be calculated. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*3.5. Elect Wi Seol Hyang - Non-Executive Director*

Non-Executive Director. Not considered to be independent, due to lack of disclosure. Additionally, not considered to be independent, as the Company has not disclosed the date of first appointment and, as such, a potentially excessive tenure cannot be calculated. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*4.1. Elect Audit Committee Member: Lee Jan Hyuk*

Non-Executive Director, member of the audit committee. Not considered to be independent. In terms of best practice, it is considered that the audit committee should only comprise independent members. An oppose vote is recommended.

*Vote Cast: Oppose*

*4.2. Elect Audit Committee Member: Wi Seol Hyang*

Non-Executive Director, member of the audit committee. Not considered to be independent. In terms of best practice, it is considered that the audit committee should only comprise independent members. An oppose vote is recommended.

*Vote Cast: Oppose*

#### *5. Approve Fees Payable to the Board of Directors*

No proposal is available at the present time. As per market practice, the proposed remuneration is likely to be made available only at the meeting. Although this is a common practice for a standard item in this market, support will not be suggested for resolutions concerning remuneration when sufficient information has not been made available for shareholders in sufficient time prior to the meeting, as such practice prevents shareholders from reaching an informed decision. Abstention from voting this resolution is recommended.

*Vote Cast: Abstain*

### **SHISEIDO CO LTD AGM - 24-03-2023**

#### *1. Appropriation of Surplus*

Japanese companies seek specific authority for the appropriation of any surplus in earnings and this authority includes any distribution of a dividend. The approach to such resolutions rests on the degree to which the dividend payout ratio is in line with the level of distribution which investors could reasonably expect. A dividend of 75 yen per share is proposed, and the dividend payout ratio is approximately 116.8%. which at more than 100% payout, is considered unwise given the capital maintenance needs of the company.

*Vote Cast: Oppose*

#### *3.1. Elect Anno Hiromi*

Newly appointed Inside Corporate Auditor. The corporate auditor board is less than 50% independent. Opposition is therefore recommended.

*Vote Cast: Oppose*

### **KB FINANCIAL GROUP AGM - 24-03-2023**

#### *1. Approve Financial Statements and Allocation of Income*

The Board seeks shareholders' approval for the consolidated and individual financial statements for the year under review. The Board also proposes to distribute a dividend. However, at this time, it has not been disclosed the dividend amount per share. It would be welcomed that the Company submitted the approval of the financial statements and the allocation of income individually, under two separate resolutions. In addition, the financial statements have not been made available to shareholders sufficiently prior to the date of the general meeting. As such, although the proposed dividend appears to be covered by earnings, it is impossible at this time to make an informed assessment. Abstention is recommended.

*Vote Cast: Abstain*

#### *2. Amend Articles*

The Board proposes to amend articles. The Company has not disclosed details regarding the amendment. When proposing amendments to the Articles, it is expected that Companies disclose a comparative version of the Articles, before and after the amendments. Therefore, opposition is recommended based on lack of disclosure.

*Vote Cast: Oppose*

*6. Approval of the Enactment of the Regulations on Severance Pay for Directors*

The board seeks to approve the Enactment of the Regulations on Severance Pay for Directors

Such proposals are considered on the basis of whether they are deemed fair. However, It is considered that the circular does not contain sufficient details of the transaction. Although there is a sufficient balance of independence on the board, abstention is recommended based on lack of disclosure.

*Vote Cast: Abstain*

*7. Approve Fees Payable to the Board of Directors*

No proposal is available at the present time. As per market practice, the proposed remuneration is likely to be made available only at the meeting.

Although this is a common practice for a standard item in this market, support will not be suggested for resolutions concerning remuneration when sufficient information has not been made available for shareholders in sufficient time prior to the meeting, as such practice prevents shareholders from reaching an informed decision. Abstention from voting this resolution is recommended.

*Vote Cast: Abstain*

**ADVANCED INFO SERVICE PCL AGM - 27-03-2023**

*5.2. Elect Yupapin Wangviwa - Non-Executive Director*

Non-Executive Director. Not considered to be independent based on the Company's own assessment. It was not possible to retrieve sufficient information on this director in order to assess independence.. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*5.3. Elect Krairit Euchukanonchai - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

*Vote Cast: Oppose*

*6. Approve the Remuneration of the Company's Board of Directors for Year 2023*

Non-Executive Directors receive a variable component on top of their fees. It is considered that non-executive directors should receive only fixed fees, as variable compensation may align them with short-term interests and not with long-term supervisory duties. On this basis, opposition is recommended.

*Vote Cast: Oppose*



### *8. Transact Any Other Business*

Shareholders should receive sufficient notice of proposals brought forward by either management or other shareholders. As such, any other proposition brought forward in the meeting would provide insufficient time for an informed assessment. Opposition is recommended.

*Vote Cast: Oppose*

### **CREDICORP LTD AGM - 27-03-2023**

#### *1a5. Re-elect Patricia Lizárraga Guthertz - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

*Vote Cast: Oppose*

#### *1a6. Re-elect Raimundo Morales Dasso - Vice Chair (Non Executive)*

Non-Executive Vice Chair. Not considered independent as he formerly served with executive responsibilities at subsidiaries of the Company. He joined BCP in 1980 and held different executive management positions, including Executive VP for Wholesale Banking and Credit and Risk Management. He became CEO of BCP in 1990 until 2008, when he retired. Mr. Morales was also Chair of the Board and CEO of Atlantic Security Bank (subsidiary of Credicorp). He led the IPO for the listing of Credicorp's shares on the NYSE in October 1995. However, there is sufficient independent representation on the Board, an abstain vote is recommended.

*Vote Cast: Abstain*

#### *1a7. Re-elect Leslie Pierce Diez Canseco - Non-Executive Director*

Non-Executive Director. It is noted that he served on the board of Grupo Romero and serves on Atlantic Security Holding Corporation, major shareholder of the company. There is sufficient independent representation on the Board. However, there are concerns over the director's potential aggregate time commitments and the director could not prove full attendance of board and committee meetings during the year.

*Vote Cast: Oppose*

#### *1a8. Re-elect Luis Enrique Romero Belismelis - Chair (Executive)*

Executive Chair. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Holding an executive position is incompatible with this and a vote to Oppose is recommended.

*Vote Cast: Oppose*

## NESTE AGM - 28-03-2023

### *7. Approve Financial Statements*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the financial statements submitted to shareholders, but the financial statements fail to address these concerns and it is recommended to abstain from voting on this resolution.

*Vote Cast: Abstain*

### *10. Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

### *11. Approve Fees Payable to the Board of Directors*

It is proposed to increase the amount payable to the Board of Directors by more than 10% on annual basis. The increase is considered material and exceeds guidelines, while the company has not duly justified it. Therefore, opposition is recommended.

*Vote Cast: Oppose*

### *15. Re-appoint KPMG as the Auditors*

KPMG proposed. Non-audit fees represented 56.25% of audit fees during the year under review and 46.44% on a three-year aggregate basis. This level of non-audit fees raises major concerns about the independence of the statutory auditor.

*Vote Cast: Oppose*

### *16. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares for 18 months. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

### *17. Issue Shares for Cash*

Authority to issue shares without pre-emptive rights is proposed for less than 10% of the current share capital. However; the duration of the authority exceeds 12 months. It is considered that shareholders should have the occasion to vote on such resolutions annually.

Vote Cast: *Oppose*

## SWISSCOM AGM - 28-03-2023

### 1.1. *Approve Financial Statements*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the financial statements submitted to shareholders, but the financial statements fail to address these concerns and it is recommended to abstain from voting on this resolution.

Vote Cast: *Abstain*

Results: For: 99.8, Abstain: 0.2, Oppose/Withhold: 0.0,

### 1.2. *Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 95.8, Abstain: 0.4, Oppose/Withhold: 3.9,

### 3. *Discharge the Board*

Standard resolution. At the company, there is no external whistle-blowing hotline. This suggests that such concerns that should be raised by a whistle-blower are dealt with internally, which may increase the risk of such issues not being followed up or escalating to a level where the higher was the level of the misconduct, the more likely is the issue to be concealed. On this basis, and on the potential unforeseeable consequences for the company, opposition is recommended.

Vote Cast: *Abstain*

Results: For: 99.6, Abstain: 0.3, Oppose/Withhold: 0.1,

### 4.1. *Elect Roland Abt - Non-Executive Director*

Non-Executive Director, chair of the audit committee. At the company, there is no external whistle-blowing hotline. This suggests that such concerns that should be raised by a whistle-blower are dealt with internally, which may increase the risk of such issues not being followed up or escalating to a level where the higher was the level of the misconduct, the more likely is the issue to be concealed. On this basis, and on the potential unforeseeable consequences for the company, opposition is recommended to the re-election of the chair of the audit committee, who is considered to be accountable for the concerns with the whistle-blowing reporting structure.

Vote Cast: *Oppose*

Results: For: 99.3, Abstain: 0.1, Oppose/Withhold: 0.6,

### 4.8. *Elect Michael Rechsteiner - Chair (Non Executive)*

Non-Executive Chair of the Board. As there is no Sustainability Committee, the Chair of the Board is considered accountable for the Company's sustainability programme. As such, given the concerns over the Company's sustainability policies and practice, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 96.4, Abstain: 0.1, Oppose/Withhold: 3.5,

#### 4.9. *Elect Michael Rechsteiner as Chair of the Board*

Non-Executive Chair of the Board. As there is no Sustainability Committee, the Chair of the Board is considered accountable for the Company's sustainability programme. As such, given the concerns over the Company's sustainability policies and practice, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 96.5, Abstain: 0.5, Oppose/Withhold: 3.0,

#### 5.2. *Elect Remuneration Committee - Monique Bourquin*

Non-Executive Director, candidate to the Remuneration Committee on this resolution. It is considered that the Remuneration Committee should consist exclusively of independent members. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 98.8, Abstain: 0.1, Oppose/Withhold: 1.1,

### **HOLMEN AB AGM - 28-03-2023**

#### 17. *Approve Remuneration Policy*

It is proposed to approve the remuneration policy. Variable remuneration appears to be consistently capped, and the payout is in line with best practice. However, the Company has not fully disclosed quantified targets for the performance criteria of its variable remuneration component, which as a consequence may lead to overpayment against underperformance. In addition, there are no claw back clauses in place over the entirety of the variable remuneration component which makes it unlikely that shareholders will be able to reclaim any variable remuneration unfairly paid out. On these grounds, opposition is recommended.

Vote Cast: *Oppose*

#### 18. *Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

#### 14. *Elect Board: Slate Election*

Proposal to renew the Board with a bundled election. Although slate elections are not considered to be best practice, they are common in this market. There is insufficient independent representation on the Board after the meeting as resulting from this slate of candidates.

Vote Cast: *Oppose*

## CDON AB EGM - 28-03-2023

### *7.D. Approve Equity Plan Financing*

The Board proposes that the Extraordinary General Meeting resolves on a new issue of reclassifiable class C shares to the new CEO and certain other new key employees to form a part of the purchase price for their shares in Fyndiq. This proposal would see the newly appointed CEO and executives awarded shares in addition to to benefits proposed in the existing merger. This excessive compensation is not considered best practice. Opposition is recommended.

Vote Cast: *Oppose*

### *8. Approve Issuance of Convertibles without Preemptive Rights*

Contingent Convertible Securities (or CoCo's) are not considered appropriate as they put investors at significant risk of dilution in the event that conversion occurs. CoCos are relative new instruments and there are concerns that CoCos may create a situation which whilst converting some debt to equity actually disincentives equity investors for putting more new funds to the Banks via rights issues, due to the dilute effect of the conversion taking away much or some of the premium that would ordinarily accrue to shareholders. Recent events at Duetsche Bank has led to others voicing their concerns about the destabilizing effect of the CoCos on both the CoCos price and the share price. Therefore an oppose vote is recommended.

Vote Cast: *Oppose*

## NATURGY ENERGY GROUP SA AGM - 28-03-2023

### *1. Approve Annual Accounts and of the Management Report of NATURGY ENERGY GROUP, S.A*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the financial statements submitted to shareholders, but the financial statements fail to address these concerns and it is recommended to abstain from voting on this resolution.

Vote Cast: *Abstain*

Results: For: 100.0, Abstain: 0.0, Oppose/Withhold: 0.0,

### *2. Approve Consolidated Annual Accounts and the Management Report of the Consolidated Group of NATURGY ENERGY GROUP, S.A.*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the financial statements submitted to shareholders, but the financial statements fail to address these concerns and it is recommended to abstain from voting on this resolution.

Vote Cast: *Abstain*

Results: For: 100.0, Abstain: 0.0, Oppose/Withhold: 0.0,

### *3. Approve Non-Financial Statements*

The non-financial statements were made available sufficiently before the meeting and include the auditor's independent verification report. However, there are serious

concerns surrounding the sustainability policies and practice at the company and the lack of board level governance structure for sustainability issues. Therefore, it is considered that the non-financial statements may not accurately reflect the material and financial impact of non-traditional financial risks.

*Vote Cast: Abstain*

*Results: For: 99.9, Abstain: 0.0, Oppose/Withhold: 0.0,*

#### *6. Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

*Results: For: 62.0, Abstain: 34.0, Oppose/Withhold: 4.0,*

#### *7.1. Elect Francisco Reynes Massanet - Chair & Chief Executive*

Chair and CEO. Combined roles at the head of the Company. There should be a clear division of responsibilities at the head of the Company between the running of the board and the executive responsibility for the running of the Company's business. No one individual should have unfettered powers of decision. Combining the two roles in one person represents a concentration of power that is potentially detrimental to board balance, effective debate, and board appraisal.

*Vote Cast: Oppose*

*Results: For: 93.3, Abstain: 4.6, Oppose/Withhold: 2.1,*

#### *7.3. Elect Pedro Sainz de Baranda Riva - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

*Vote Cast: Oppose*

*Results: For: 91.6, Abstain: 4.6, Oppose/Withhold: 3.9,*

#### *7.4. Elect Jose Antonio Torre de Silva Lopez de Letona - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is representative of Theatre Directorships Services Delta, a significant shareholder of the Company. There is insufficient independent representation on the Board. There are concerns over the director's potential aggregate time commitments and the director could not prove full attendance of board and committee meetings during the year.

*Vote Cast: Oppose*

*Results: For: 92.4, Abstain: 4.6, Oppose/Withhold: 3.1,*

### **AP MOLLER - MAERSK AS AGM - 28-03-2023**

#### *C. Receive the Annual Report*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately

reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, but the annual report fails to address these concerns adequately and therefore abstention is recommended.

*Vote Cast: Abstain*

#### *F. Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

#### *G. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares for 18 months. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

#### *I. Appoint the Auditors*

PwC proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

*Vote Cast: Oppose*

#### *J.2. Approve Remuneration Policy*

It is proposed to approve the remuneration policy. Variable remuneration appears to be consistently capped, and the payout is in line with best practice. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets for performance criteria for its variable remuneration component, which may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

### **LG CHEMICAL LTD AGM - 28-03-2023**

#### *1. Approve Financial Statements*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *3. Elect Audit Committee: Cheon Gyeong Hun*

Non-Executive Director, member of the audit committee. Not considered to be independent. In terms of best practice, it is considered that the audit committee should only comprise independent members. An oppose vote is recommended.

*Vote Cast: Oppose*

### *4. Approve Fees Payable to the Board of Directors*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

## **BRIDGESTONE CORP AGM - 28-03-2023**

### *2.3. Re-Elect Scott Trevor Davis*

Incumbent Non-Executive Director, not considered independent as the candidate's tenure exceeds nine years,

*Vote Cast: Oppose*

### *2.4. Re-Elect Yuri Okina*

Incumbent Non-Executive Director, not considered independent as the candidate's tenure exceeds nine years,

*Vote Cast: Oppose*

### *2.5. Re-Elect Kenichi Masuda*

Incumbent Non-Executive Director, not considered independent as the candidate's tenure exceeds nine years,

*Vote Cast: Oppose*

### *3. Appointment of Independent Auditors*

The Board requests authority to elect a new external auditor: KPMG AZSA LLC. The proposed auditor is considered to be connected to the Company, as Seiichi Sasa was previously employed as Partner of KPMG. Opposition is recommended.

*Vote Cast: Oppose*



**SK TELECOM CO LTD AGM - 28-03-2023****1. Approve Financial Statements**

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

Vote Cast: *Abstain*

**3.1. Elect Kim, Yong-Hak - Non-Executive Director**

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder SK Telecom as a Non Executive Director on the Board of Directors. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

**3.2. Elect Kim Joon Mo - Non-Executive Director**

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder SK Telecom as a Non Executive Director on the Board of Directors. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

**4.1. Elect Audit Committee Member Kim Yong Hak**

Non-Executive Chair of the Board, member of the audit committee. Not considered to be independent. In terms of best practice, it is considered that the audit committee should only comprise independent members. An oppose vote is recommended.

Vote Cast: *Oppose*

**CONTROLADORA NEMAK SAB de CV AGM - 28-03-2023****1. Approve Financial Statements**

At this time, the financial statements have not been made available. Although not uncommon in this market, it is considered a serious reporting omission. Opposition is recommended.

Vote Cast: *Oppose*

**2. Approve Allocation of Income, Dividend and Share Repurchase**

The Board seeks shareholders' approval for the Allocation of Income, Dividend and Share Repurchase for the year under review. However, the information have not been made available to shareholders sufficiently prior to the date of the general meeting. As such, although the proposed dividend appears to be covered by earnings, it is impossible at this time to make an informed assessment. Abstention is recommended.

Vote Cast: *Abstain*

### *3. Elect Board: Slate Election*

Proposal to elect the Board with a bundled election. Although slate elections are not considered to be best practice, they are common in this market. There is insufficient independent representation on the Board after the meeting as resulting from this slate of candidates.

*Vote Cast: Oppose*

## **KAKAO CORP AGM - 28-03-2023**

### *1. Approve Financial Statements*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *2.1. Amend Articles: Amendment in Business Objectives*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *2.2. Amend Articles of Incorporation (Dividend Reference Date)*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *2.3. Amend Articles of Incorporation (Additional Rules)*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *3.1. Elect Bae Jae Hyeon - Position Not Disclosed*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *3.2. Elect Jeong Sin A - Position Not Disclosed*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *3.4. Elect Sin Seon Gyeong*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *5.2. Elect Audit Committee Member Sin Seong Gyeong*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *6. Approve Total Remuneration of Inside Directors and Outside Directors*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *7. Authorise Cancellation of Treasury Shares*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *8. Approve Retirement Allowance for Directors*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *9.1. Authorize Issued Capital for Use in Stock Option Plans: Case of granting stock purchase options to registered executives*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### *9.2. Authorize Issued Capital for Use in Stock Option Plans: Granting of stock options to executives and employees*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

## **KT&G CORP AGM - 28-03-2023**

### *5. Shareholder Resolution: Authorise Share Repurchase*

The Agnes shareholder requests to authorise share repurchase. However, this resolution will not be supported unless set forth a clear, cogent and compelling case

demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided, an oppose vote is recommended.

*Vote Cast: Oppose*

#### *7.2. Elect Koh, Yun-sung - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

*Vote Cast: Oppose*

#### *8.2. Elect Koh, Yun-sung - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

*Vote Cast: Oppose*

### **TELEFONAKTIEBOLAGET LM ERICSSON AGM - 29-03-2023**

#### *8.1. Approve Financial Statements*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the financial statements submitted to shareholders, but the financial statements fail to address these concerns and it is recommended to abstain from voting on this resolution.

Ongoing legal allegations against the company have not been adequately resolved at this stage, and while no wrongdoing has been identified at this stage, there are concerns that the litigation could lead to significant financial or reputational consequences for the company and may not have adequately represented in the financial statements. As such, it is recommended to abstain.

*Vote Cast: Abstain*

#### *8.2. Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

#### *8.3.1. Discharge the Board - Ronnie Leten*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational

consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### *8.3.2. Discharge the Board - Helena Stjernholm*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### *8.3.3. Discharge the Board - Jacob Wallenberg*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### *8.3.4. Discharge the Board - Jon Fredrik Baksas*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### *8.3.5. Discharge the Board - Jan Carlson*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### *8.3.6. Discharge the Board - Nora Denzel*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### 8.3.8. *Discharge the Board - Börje Ekholm*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### 8.3.9. *Discharge the Board - Eric A. Elzvik*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### 8.3.10. *Discharge the Board - Kurt Jofs*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### 8.3.11. *Discharge the Board - Kristin S. Rinne*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### 8.3.12. *Discharge the Board - Torbjorn Nyman*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### 8.3.13. *Discharge the Board - Anders Ripa*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### *8.3.14. Discharge the Board - Kjell-ake Soting*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### *8.3.15. Discharge the Board - Ulf Rosberg*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### *8.3.16. Discharge the Board - Loredana Roslund*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### *8.3.17. Discharge the Board - Annika Salmonsson*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### *8.3.18. Discharge the Board - Borhe Ekholm*

Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge.

*Vote Cast: Abstain*

#### *11.2. Elect Jan Carlson - Chair (Non Executive)*

Non-Executive Chair of the Board. As the Chair of the Sustainability Committee is not up for election, the Chair of the Board is considered accountable for the

Company's sustainability programme. As the Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability an abstain vote is recommended.

*Vote Cast: Abstain*

#### *11.3. Elect Carolina Dybeck Happe - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

*Vote Cast: Oppose*

#### *11.4. Elect Börje Ekholm - Chief Executive*

Chief Executive.

During the year under review, senior employees of the company have been found guilty of bribery. While the full impact of this decision is yet to be ascertained, there are concerns about the sufficiency of the board-level oversight of ethical and fair conduct with cultural understanding. These practices are considered to be examples of a corporate culture not aligned with the interests of all stakeholders. Therefore, it is recommended to oppose the re-election of the CEO.

*Vote Cast: Oppose*

#### *11.5. Elect Eric A. Elzvik - Non-Executive Director*

Non-executive Chair of the Audit Committee. During the year under review, senior employees of the company have been found guilty of bribery. While the full impact of this decision is yet to be ascertained, there are concerns about the sufficiency of the board-level oversight of ethical and fair conduct with cultural understanding. The Audit Committee is considered responsible for overseeing the company's compliance policies, including through effective whistleblower policies. Owing to the apparent failure or inaction, opposition is recommended to the re-election of the Audit Committee Chair.

*Vote Cast: Oppose*

#### *12. Elect Jan Carlson as Chair of the Board (Non Executive)*

Non-Executive Chair of the Board. As the Chair of the Sustainability Committee is not up for election, the Chair of the Board is considered accountable for the Company's sustainability programme. As the Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability an abstain vote is recommended.

*Vote Cast: Abstain*

#### *16.1. Approve Long-Term Variable Compensation Program I 2023*

The Board proposes the approval of a new executive incentive plan. Under the plan, participants will be allotted shares or rights to shares. Performance targets have not been quantified at this time, which makes an informed assessment impossible and may lead to (partial) payment against (partial) failure.

LTIP based schemes are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the Company (creating capital and - lawful - dividends). They act as a complex and opaque hedge against absolute Company underperformance and long-term share price falls. They are also a significant factor in reward for failure.



*Vote Cast: Oppose*

#### *16.2. Approve Equity Plan Financing of LTV I 2023*

As a consequence of the transaction proposed on this agenda, it is proposed to transfer 700,000 class B shares in order to cover expenses related to the LTIP scheme. Although companies have a legal duty to fund approved plans, this resolution is considered to be a proposal enabling the LTIP proposed. Based on the concerns on the resolution for the approval of the LTIP, opposition is recommended also on this resolution.

*Vote Cast: Oppose*

#### *16.3. Approve Alternative Equity Plan Financing of LTV I 2023*

The Board seeks for approval in case required majority for resolution 16.2 is not reached, to outsource the financial exposure of the LTV 2023 Plan to a third party that shall, in its own name, acquire and transfer shares in the Company to employees. This resolution is considered to be a proposal enabling the LTIP proposed. Based on the concerns on the resolution for the approval of the LTIP, opposition is recommended also on this resolution.

*Vote Cast: Oppose*

#### *17.1. Approve Long-Term Variable Compensation Program II 2023*

The Board proposes the approval of a new executive incentive plan. Under the plan, participants will be allotted shares or rights to shares. Performance targets have not been quantified at this time, which makes an informed assessment impossible and may lead to (partial) payment against (partial) failure. LTIP based schemes are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the Company (creating capital and - lawful - dividends). They act as a complex and opaque hedge against absolute Company underperformance and long-term share price falls. They are also a significant factor in reward for failure.

*Vote Cast: Oppose*

#### *17.2. Approve Equity Plan Financing of LTV II 2023*

As a consequence of the transaction proposed on this agenda, it is proposed to transfer of no more than 4.9 million shares of class B in the Company and amend the articles accordingly. Although companies have a legal duty to fund approved plans, this resolution is considered to be a proposal enabling the LTIP proposed. Based on the concerns on the resolution for the approval of the LTIP, opposition is recommended also on this resolution.

*Vote Cast: Oppose*

#### *17.3. Equity Swap Agreement with third party in relation to the LTV II 2023*

The Board seeks for approval in case required majority for resolution 17.2 is not reached, to outsource the financial exposure of the LTV 2023 Plan to a third party that shall, in its own name, acquire and transfer shares in the Company to employees. This resolution is considered to be a proposal enabling the LTIP proposed. Based on the concerns on the resolution for the approval of the LTIP, opposition is recommended also on this resolution.

*Vote Cast: Oppose*

### *21. Approve Remuneration Policy*

It is proposed to approve the remuneration policy with a binding vote. Variable remuneration does not seem to be consistently capped and as such there are excessiveness concerns as the total potential variable remuneration may exceed 200% of the salary. The Company has fully disclosed quantified targets for the performance criteria of its variable remuneration component. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. Nevertheless, opposition is recommended based on potential excessive variable remuneration.

*Vote Cast: Oppose*

## **LS CORP AGM - 29-03-2023**

### *1. Approve Financial Statements*

At this time, the financial statements have not been made available. Although not uncommon in this market, it is considered a serious reporting omission. Opposition is recommended.

*Vote Cast: Oppose*

### *2. Elect Ja-Yeol Koo - Chair (Executive)*

The biographical information disclosed on this candidate is considered to be insufficient. Regardless of the level of independence on the Board, this is considered a serious lack of information. Opposition is recommended.

*Vote Cast: Oppose*

### *3.1. Elect Hyeon-joo Park - Non-Executive Director*

The biographical information disclosed on this candidate is considered to be insufficient. Regardless of the level of independence on the Board, this is considered a serious lack of information. Opposition is recommended.

*Vote Cast: Oppose*

### *3.2. Elect Dae-Soo Lee - Non-Executive Director*

The biographical information disclosed on this candidate is considered to be insufficient. Regardless of the level of independence on the Board, this is considered a serious lack of information. Opposition is recommended.

*Vote Cast: Oppose*

### *3.3. Elect Ye Jong Seok - Non-Executive Director*

The biographical information disclosed on this candidate is considered to be insufficient. Regardless of the level of independence on the Board, this is considered a serious lack of information. Opposition is recommended.

*Vote Cast: Oppose*

#### *4.1. Elect Audit Committee Member Dae-soo Lee*

Non-Executive Director, member of the audit committee. Not considered to be independent. In terms of best practice, it is considered that the audit committee should only comprise independent members. An oppose vote is recommended.

*Vote Cast: Oppose*

#### *4.2. Elect Audit Committee Member Jong-seok Ye*

Non-Executive Director, member of the audit committee. Not considered to be independent. In terms of best practice, it is considered that the audit committee should only comprise independent members. An oppose vote is recommended.

*Vote Cast: Oppose*

#### *5. Authorise the Board to Fix Directors' Remuneration*

No proposal is available at the present time. As per market practice the proposed remuneration is likely to be made available only at the meeting. Although this is a common practice for a standard item in this market; support will not be suggested for resolutions concerning remuneration when sufficient information has not been made available for shareholders in sufficient time prior to the meeting; as such practice prevents shareholders from reaching an informed decision. Abstention from voting this resolution is recommended.

*Vote Cast: Abstain*

### **ROCKWOOL INTERNATIONAL A/S AGM - 29-03-2023**

#### *3. Approve Financial Statements and Discharge the Board*

Disclosure is adequate. The financial statements were made available sufficiently before the meeting and have been audited and certified. Ongoing significant legal allegations against the company have not been adequately resolved at this stage, which could lead to serious financial or reputational consequences for the company. Rockwool was accused of ignoring human rights at a proposed factory in West Virginia. The Danish National Contact Point alleged that Rockwool had not sufficiently adhered to OECD Guidelines; principally, the Company failed to carry out risk based due diligence in the initial phases of the manufacturing facility project. While responsibilities and wrongdoing yet to be identified and demonstrated fully, it is recommended to abstain from approving the discharge. Furthermore, the approval of financial statements and the discharge of the Board should be proposed as separate resolutions. On this basis, abstention is recommended.

*Vote Cast: Abstain*

#### *4. Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

*7.1. Elect Jes Munk Hansen - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments

*Vote Cast: Abstain*

*7.3. Elect Rebekka Glasser Herlofsen - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

*Vote Cast: Oppose*

*7.4. Elect Carsten Kähler - Non-Executive Director*

Non-Executive Director. Not considered independent as the director has close family ties with Thomas Kähler. . There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*7.6. Elect Thomas Kähler - Chair (Non Executive)*

There are allegations of the poor human rights practices by the company, and while no wrongdoing has been identified at this time, there are concerns over the potential impacts on the company and its stakeholders. The Company was accused of not adequately adhering to OECD Guidelines, specifically concerning risk based due diligence in the initial phases of the proposed mineral wool factory in West Virginia. Therefore, it is recommended to abstain on the re-election of the Chair of the Board

*Vote Cast: Abstain*

*8. Appoint the Auditors*

PwC proposed. Non-audit fees were not paid during the year under review and 33.33% of audit fees were paid on a three-year aggregate basis. This level of non-audit fees raises some concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

*Vote Cast: Abstain*

*9.1. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase of a total nominal amount of up to 10% of the Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

## **KONECRANES PLC AGM - 29-03-2023**

### **15. *Appoint the Auditors***

EY proposed. Non-audit fees represented 4.88% of audit fees during the year under review and 12.07% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

*Vote Cast: Oppose*

### **16. *Authorise Share Repurchase***

It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

### **18. *Reissue of Treasury Shares with Pre-emption Rights Disapplied***

It is proposed to give authority to issue new shares or redistribute the shares repurchased under the authority submitted in the previous resolution. The Board will maintain full discretion over the use and destination of repurchased shares. The authority is valid up to next AGM. This is of concern as the Board could use this authority as an anti-takeover device or for an inappropriate form of compensation without further shareholder approval. The authorization can also be used for incentive arrangements, however, not more than 1,350,000 shares in total together with the authorization in item 18. On this basis, opposition is recommended.

*Vote Cast: Oppose*

### **20. *Approve Charitable Donations***

The board proposes to donate EUR 400,000 for charitable purposes under the Finnish Universities Act, which came into force at the beginning of 2010, and allows universities to accept private funding. The Board proposes that shareholders authorise it to decide on donations of up to EUR 400,000 to be given to universities by the group companies. The authorization will be valid until the closing of the next AGM. The Company has not explained to which universities and projects such funds would be donated. As the Company's explanation is not considered sufficient, opposition is recommended.

*Vote Cast: Oppose*

## **ESSITY AB AGM - 29-03-2023**

### **7.A. *Approve Financial Statements***

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not

accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the financial statements submitted to shareholders, but the financial statements fail to address these concerns and it is recommended to abstain from voting on this resolution.

*Vote Cast: Abstain*

#### *11.B. Elect Pär Boman - Chair (Non Executive)*

Non-Executive Chair. Not considered to be independent as he is Deputy Chairman of the Board of AB Industrivärden, a significant shareholder. He is also on the board of Svenska Handelsbanken AB, another significant shareholder. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. A vote to Oppose is recommended.

*Vote Cast: Oppose*

#### *12. Elect Pär Boman as Chair*

Non-Executive Chair. Not considered to be independent as he is Deputy Chairman of the Board of AB Industrivärden, a significant shareholder. The director has a cross directorship with other directors in the Company in Svenska Cellulosa Aktiebolaget SCA. He is also on the board of Svenska Handelsbanken AB, another significant shareholder. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. A vote to Oppose is recommended.

*Vote Cast: Oppose*

#### *13. Appoint the Auditors*

EY proposed. Non-audit fees represented 13.89% of audit fees during the year under review and 10.19% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

*Vote Cast: Abstain*

#### *14. Approve the Remuneration Report*

It is proposed to approve the remuneration paid or due to executives with an advisory vote. The payout is in line with best practice, under 200% of the fixed salary. The Company has fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated, although there are no claw back clauses in place over the entirety of the variable remuneration component which makes it unlikely that shareholders will be able to reclaim any variable remuneration unfairly paid out.

*Vote Cast: Abstain*

#### *15. Approve New Long Term Incentive Plan*

The Board proposes the approval of a new long-term incentive plan. Under the plan, the CEO and other executives will be awarded rights to shares, a portion (or all) of which will vest depending on the achievement of some performance criteria. Vesting period is three years and as such is considered to be short-term, while performance targets have not been fully disclosed in a quantified manner at this time.

LTIP schemes are not considered an effective means of incentivising performance and are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the company. They are acting as a complex and opaque hedge against absolute company underperformance and long-term share price falls. They are also a significant factor in reward for failure.

*Vote Cast: Oppose*

#### *16.A. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

#### *16.B. Reissue of Treasury Shares with Pre-emption Rights Disapplied*

The Board requests authority to approve an authority for the reissue of repurchased shares on account of company acquisitions. This authority is not requested in connection with a particular operation and has not been duly justified by the Company. Opposition is therefore recommended.

*Vote Cast: Oppose*

### **SIAM CEMENT PCL AGM - 29-03-2023**

#### *4.B. Re-elect Cholanat Yanaranop - Non-Executive Director*

Non-Executive Director. Not considered to be independent based on the Company's own assessment. It was not possible to retrieve sufficient information on this director in order to assess independence. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *4.C. Re-elect Thapana Sirivadhanabhakdi - Non-Executive Director*

Non-Executive Director. Not considered independent as the director has a relationship with the Company, which is considered material. The director has business relations with SCG are worth in excess of 20 million Baht. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *5. Approve Fees Payable to the Board of Directors*

Non-Executive Directors receive a variable component on top of their fees. It is considered that non-executive directors should receive only fixed fees, as variable compensation may align them with short-term interests and not with long-term supervisory duties. On this basis, opposition is recommended.

*Vote Cast: Oppose*

#### *6. Appoint the Auditors (KPMG Phoomchai Audit Limited) and Allow the Board to Determine their Remuneration*

KPMG proposed. Non-audit fees represented 11.87% of audit fees during the year under review and 34.61% on a three-year aggregate basis. This level of non-audit fees raises some concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

*Vote Cast: Abstain*

### **HANKOOK TIRE CO LTD AGM - 29-03-2023**

#### *1. Approve Financial Statements*

At this time, the financial statements have not been made available. Although not uncommon in this market, it is considered a serious reporting omission. Opposition is recommended.

*Vote Cast: Oppose*

#### *2. Approval of Director Remuneration Limit*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

### **SK HYNIX AGM - 29-03-2023**

#### *4. Elect Park Sung Ha - Non-Executive Director*

Non-Executive Director and member of the Audit Committee. Not considered to be independent as the director has a relationship with the Company, which is considered material. The director is employed as President of SK Square which is part of the SK Group. Furthermore, SK Square is a major shareholder holding 20.1% of the share capital. It is considered that the Audit Committee should consist of a majority of independent directors.

*Vote Cast: Oppose*

### **HYUNDAI GREEN FOOD CO LTD AGM - 29-03-2023**

#### *1. Approve Financial Statements*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*



### *2.1. Elect I Jong Geun - Non-Executive Director*

The biographical information disclosed on this candidate is considered to be insufficient. Regardless of the level of independence on the Board, this is considered a serious lack of information. Opposition is recommended.

*Vote Cast: Oppose*

### *2.2. Elect Bak Hong Jin - Non-Executive Director*

The biographical information disclosed on this candidate is considered to be insufficient. Regardless of the level of independence on the Board, this is considered a serious lack of information. Opposition is recommended.

*Vote Cast: Oppose*

### *2.3. Elect Im Geong Gu - Non-Executive Director*

The biographical information disclosed on this candidate is considered to be insufficient. Regardless of the level of independence on the Board, this is considered a serious lack of information. Opposition is recommended.

*Vote Cast: Oppose*

### *3. Elect Audit Committee: Im Gyeong Gu*

Non-Executive Director, member of the audit committee. Not considered to be independent. In terms of best practice, it is considered that the audit committee should only comprise independent members. An oppose vote is recommended.

*Vote Cast: Oppose*

### *4. Approve Fees Payable to the Board of Directors*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

*Vote Cast: Abstain*

## **KOREA GAS CORP AGM - 29-03-2023**

### *1. Approve Financial Statements*

At this time, the financial statements have not been made available in English. Although not uncommon in this market, it is considered a serious reporting omission. Opposition is recommended.

*Vote Cast: Oppose*

### *2. Elect Kim Jong sun - Non-Executive Director*

Non-Executive Director. Not considered to be independent, due to lack of disclosure. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

### **OUTOKUMPU OY AGM - 30-03-2023**

#### *15. Election of auditor: PwC*

PwC proposed. Non-audit fees represented 8.00% of audit fees during the year under review and 8.82% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Abstain*

#### *16. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

### **SK INNOVATION CO LTD AGM - 30-03-2023**

#### *1. Approve Financial Statements*

At this time, the financial statements have not been made available in English. Although not uncommon in this market, it is considered a serious reporting omission. Opposition is recommended.

Vote Cast: *Oppose*

#### *2.1. Elect Gim Jun - Position Not Disclosed*

The biographical information disclosed in English on this candidate is considered to be insufficient. Regardless of the level of independence on the Board, this is considered a serious lack of information. Opposition is recommended.

Vote Cast: *Oppose*

#### *2.2. Elect Gim Ju Yeon - Non-Executive Director*

The biographical information disclosed on this candidate is considered to be insufficient. Regardless of the level of independence on the Board, this is considered a serious lack of information. Opposition is recommended.

Vote Cast: *Oppose*

### *2.3. Elect I Bok Hui - Position Not Disclosed*

The biographical information disclosed on this candidate is considered to be insufficient. Regardless of the level of independence on the Board, this is considered a serious lack of information. Opposition is recommended.

*Vote Cast: Oppose*

### *3. Elect Audit Committee Member Bak Jin Hoe*

Position not disclosed, member of the audit committee. Not considered to be independent due to lack of biography disclosure. In terms of best practice, it is considered that the audit committee should only comprise independent members. An oppose vote is recommended.

*Vote Cast: Oppose*

### *4. Approve Remuneration of Inside Directors and Outside Directors*

No proposal is available in English at the present time. As per market practice, the proposed remuneration is likely to be made available only at the meeting. Although this is a common practice for a standard item in this market, support will not be suggested for resolutions concerning remuneration when sufficient information has not been made available for shareholders in sufficient time prior to the meeting, as such practice prevents shareholders from reaching an informed decision. Abstention from voting this resolution is recommended.

*Vote Cast: Abstain*

## **SCA (SVENSKA CELLULOSA) AB AGM - 30-03-2023**

### *8.a. Approve Financial Statements*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the financial statements submitted to shareholders, but the financial statements fail to address these concerns and it is recommended to abstain from voting on this resolution.

*Vote Cast: Abstain*

### *12.ii. Elect Par Boman - Chair (Non Executive)*

Non-Executive Chair. Not considered to be independent as he is a vice chair at Industrivarden, a significant shareholder. He was also a former President and CEO of Handelsbanken, which is controlled by Industrivarden. He is also owing to a tenure of over nine years. Executive Chair. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Holding an executive position is incompatible with this. In addition, as the Chair of the Sustainability Committee is not up for election, the Chair of the Board is considered accountable for the Company's sustainability programme. The Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability. Also, there are concerns over potential aggregate time commitments, however this director has attended all Board and committee meetings during the year under review. On aggregate a vote to oppose is recommended.

*Vote Cast: Oppose*

*12.iv. Elect Annemarie Gardshol - Non-Executive Director*

Non-Executive Director. Not considered independent as the director has a cross directorship with Par Boman, Bert Nordberg and Barbara Milian Thoralfsson for the company Essity. There is sufficient independent representation on the Board. However, there are concerns over the director's potential aggregate time commitments and the director could not prove full attendance of board and committee meetings during the year.

*Vote Cast: Oppose*

*13. Elect Par Boman - Chair (Non Executive)*

Non-Executive Chair. Not considered to be independent as he is a vice chair at Industrivarden, a significant shareholder. He was also a former President and CEO of Handelsbanken, which is controlled by Industrivarden. He is also owing to a tenure of over nine years. Executive Chair. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Holding an executive position is incompatible with this. In addition, as the Chair of the Sustainability Committee is not up for election, the Chair of the Board is considered accountable for the Company's sustainability programme. The Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability. Also, there are concerns over potential aggregate time commitments, however this director has attended all Board and committee meetings during the year under review. On aggregate a vote to oppose is recommended.

*Vote Cast: Oppose*

*14. Appoint the Auditors*

EY proposed. Non-audit fees represented 9.09% of audit fees during the year under review and 6.67% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

*Vote Cast: Abstain*

*15. Approve Remuneration Policy*

It is proposed to approve the remuneration policy. Variable remuneration appears to be consistently capped, and the payout is in line with best practice. However, the Company has not fully disclosed quantified targets for the performance criteria of its variable remuneration component, which as a consequence may lead to overpayment against underperformance. In addition, there are no claw back clauses in place over the entirety of the variable remuneration component which makes it unlikely that shareholders will be able to reclaim any variable remuneration unfairly paid out. On these grounds, opposition is recommended.

*Vote Cast: Oppose*

*16. Resolution on a long-term cash-based incentive program for 2023-2025*

It is proposed to approve the remuneration policy. Variable remuneration appears to be consistently capped, and the payout is in line with best practice. The Company has disclosed quantified targets for performance criteria for the entirety of its variable remuneration component. However, there are no claw back clauses in place over

the entirety of the variable remuneration component which makes it unlikely that shareholders will be able to reclaim any variable remuneration unfairly paid out. This may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

#### *8.c3. Approve discharge of Par Boman*

Standard proposal. The company's sustainability policies and practice are not considered to be adequate in order to minimize material risks linked to sustainability. As there is no sustainability committee, the Chair is considered to have responsibility for the company's sustainability practices. As such, abstention is recommended on the discharge.

*Vote Cast: Abstain*

### **TRYG AS AGM - 30-03-2023**

#### *2.A. Receive the Annual Report*

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the annual report submitted to shareholders, but the annual report fails to address these concerns adequately and therefore abstention is recommended.

*Vote Cast: Abstain*

#### *4. Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

#### *6.C. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares for 18 months. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

#### *6.D. Approve Remuneration Policy*

It is proposed to approve the remuneration policy. Variable remuneration appears to be consistently capped, and the payout is in line with best practice. There are

claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets for performance criteria for its variable remuneration component, which may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

#### *7.1. Elect Jukka Pertola - Chair (Non Executive)*

Independent Non-Executive Chair. As the Chair of the Sustainability Committee is not up for election, the Chair of the Board is considered accountable for the Company's sustainability programme. The Company's sustainability policies and practice are not considered adequate to minimise the material risks linked to sustainability, and a vote to oppose is recommended. Although there are concerns over potential aggregate time commitments, this director has attended all Board and committee meetings during the year under review.

*Vote Cast: Oppose*

#### *7.2. Elect Mari Thjørmøe - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

*Vote Cast: Oppose*

### **TIM SA AGM - 30-03-2023**

#### *A1. Approve Financial Statements*

Disclosure is acceptable and the report was made available sufficiently before the meeting. However, The Company has not disclosed the fees paid to the auditors for the year under review, and what non-audit services have been provided, if any. Under Brazilian legislation, companies are not required in their financial statements to disclose the amount paid for the External Audit except where additional services have been engaged and the value of such services exceeds 5% of the total amount paid to the external auditor. Nevertheless, it is considered that companies should go beyond minimum regulatory requirements. Not disclosing the fees paid to the auditors is considered to be a serious breach of shareholder accountability, as it is impossible to assess the existence of potential conflicts of interest that would hinder the independence of the auditor. On this ground, opposition is recommended.

*Vote Cast: Oppose*

#### *A5. Elect Board: Slate Election*

Proposal to renew the Board with a bundled election. Although slate elections are not considered to be best practice, they are common in this market. There is insufficient independent representation on the Board after the meeting as resulting from this slate of candidates.

*Vote Cast: Oppose*

#### *A8. Approve Maximum Remuneration*

It is proposed to approve the maximum compensation for Directors, Management and Fiscal Council for next year. It is regrettable that the Company bundled these

items, however it is common practice in this market. The amount proposed under this resolution is not the actual remuneration but the global remuneration cap, and includes fixed salaries and short term incentives.

Directors and Fiscal Council receive only fixed fees. For Management, it is proposed to cap remuneration at BRL 88,5 million. Variable remuneration for executives would correspond to up to 217% of the fixed pay, which is deemed excessive. In addition, there is lack of disclosure with respect of targets and measurable criteria for variable remuneration, which prevents shareholders from making an informed assessment. Opposition is recommended.

*Vote Cast: Oppose*

### **ORBIA ADVANCE CORPORATION, S.A.B. DE C.V. AGM - 30-03-2023**

#### *4.1. Elect Antonio del Valle Ruiz - Chair (Non Executive)*

Honorary and Lifetime Board Chair. Not considered independent as the director has close family ties with the Company. He is part of the family Del Valle. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *4.2A. Re-elect Juan Pablo del Valle Perochena - Chair (Non Executive)*

Non-Executive Chair. Not considered independent as he has close family ties with the Company through his father, the major shareholder. He is the son of Mr. Antonio del Valle Ruiz and the brother of Maria de Guadalupe, Antonio and Francisco Javier del Valle Perochena. In addition, he is on the board owing to a tenure of over nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *6.2. Set Aggregate Nominal Amount of Share Repurchase Reserve*

It is proposed to fix the maximum amount available to directors, for the purpose of buying shares on the market. Although this is technically not an authority to repurchase shares, shareholders in Mexico do not approve individual authorities to repurchase shares. As such, identifying the total amount which can be used for repurchasing shares is considered an indirect authority to buy back shares on the market. These resolutions will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

#### *4.2C. Re-elect Maria de Guadalupe del Valle Perochena - Non-Executive Director*

Non-Executive Director. Not considered to be independent as she has close family ties with the Company. She is the daughter of Mr. Antonio del Valle Ruiz; the sister of Mr. Juan Pablo and Antonio del Valle Perochena; the niece of Mr. Jaime Ruiz Sacristán, and Adolfo and Ignacio del Valle Ruiz. In addition, she is on the board owing to a tenure of over nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *4.2D. Re-elect Francisco Javier del Valle Perochena - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder: Valle Perochena Family. Additionally not considered independent as the director has close family ties with the Company. Mr. Francisco Javier del Valle Perochena is relative of Mr. Juan Pablo del Valle Perochena, Mr. Antonio del Valle Perochena and Ms. Maria de Guadalupe del Valle Perochena. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *4.2E. Re-elect Guillermo Ortiz Martinez - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *4.2F. Re-elect Divo Milan Haddad - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *4.2B. Elect Antonio del Valle Perochena - Non-Executive Director*

Non-Executive Director. Not considered to be independent as he has close family ties with the Company. He is the son of Mr. Antonio del Valle Ruiz; the brother of Juan Pablo and María de Guadalupe Valle Perochena. In addition, he is on the board owing to a tenure of over nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *4.3A. Elect Juan Pablo del Valle Perochena as Chair (Non Executive)*

Non-Executive Chair. Not considered independent as he has close family ties with the Company through his father, the major shareholder. He is the son of Mr. Antonio del Valle Ruiz and the brother of Maria de Guadalupe, Antonio and Francisco Javier del Valle Perochena. In addition, he is on the board owing to a tenure of over nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *4.3C. Elect Alternate Secretary Shelson Vincent Hirt*

Candidate not disclosed.

*Vote Cast: Abstain*

#### *5. Approve Fees Payable to the Board of Directors*

Non-Executive Directors receive a variable component on top of their fees. It is considered that non-executive directors should receive only fixed fees, as variable compensation may align them with short-term interests and not with long-term supervisory duties. On this basis, opposition is recommended.



Vote Cast: *Oppose*

#### 6.1. *Authorise Share Repurchase*

At this time, the proposal has not been disclosed.

Vote Cast: *Abstain*

#### 7. *Directors Report on Policies for Companys Acquisition of its Own Shares*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. It is recommended not to support the proposal.

Vote Cast: *Abstain*

### **MARCOPOLO SA AGM - 30-03-2023**

#### 1. *Approve Financial Statements*

Disclosure is acceptable and the report was made available sufficiently before the meeting. However, The Company has not disclosed the fees paid to the auditors for the year under review, and what non-audit services have been provided, if any. Under Brazilian legislation, companies are not required in their financial statements to disclose the amount paid for the External Audit except where additional services have been engaged and the value of such services exceeds 5% of the total amount paid to the external auditor. Nevertheless, it is considered that companies should go beyond minimum regulatory requirements. Not disclosing the fees paid to the auditors is considered to be a serious breach of shareholder accountability, as it is impossible to assess the existence of potential conflicts of interest that would hinder the independence of the auditor. On this ground, opposition is recommended.

Vote Cast: *Oppose*

#### 3.2. *Elect Paulo Cezar da Silva Nunes - Vice Chair (Non Executive)*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

#### 3.3. *Elect Dan Ioschpe - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

Vote Cast: *Oppose*

#### 3.4. *Elect Denise Casagrande Rocha - Non-Executive Director*

Independent Non-Executive Director. There are concerns over the director's potential time commitments, and the director could not prove full attendance of board and committee meetings during the year.

Vote Cast: *Oppose*

*3.5. Elect Mateus Affonso Bandeira - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is indicated by preferred shareholders. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

*4. In Case Cumulative Voting Is Adopted, Do You Wish to Equally Distribute Your Votes Amongst the Nominees below?*

It is proposed to equally distribute votes among candidates in the slate, in case cumulative voting is adopted. Based on the profiles of the candidates and the overall independence of the board, it is considered that not all of the candidates should be supported equally.

Vote Cast: *Abstain*

*5.2. Cumulative Voting: Percentage of Votes to Be Assigned to Paulo Cezar da Silva*

Even in case cumulative voting were to be adopted, it is considered that the proposed candidate is not considered to be independent and should not be supported.

Vote Cast: *Abstain*

*5.3. Cumulative Voting: Percentage of Votes to Be Assigned to Dan Ioschpe*

This candidate is considered to be independent. However, due to concerns over potential aggregate time commitments and failure to demonstrate full attendance at board and committee meetings, abstention is recommended.

Vote Cast: *Abstain*

*5.4. Cumulative Voting: Percentage of Votes to Be Assigned to Denise Casagrande*

This candidate is considered to be independent. However, due to concerns over potential aggregate time commitments and failure to demonstrate full attendance at board and committee meetings, abstention is recommended.

Vote Cast: *Abstain*

*5.5. Cumulative Voting: Percentage of Votes to Be Assigned to Matheus Affonso Bandeira*

Even in case cumulative voting were to be adopted, it is considered that the proposed candidate is not considered to be independent and should not be supported.

Vote Cast: *Abstain*

*6.1. Elect Henrique Bredda - Non-Executive Director*

Non-Executive Director. Not considered independent as the director has a relationship with the Company, which is considered material as Manager of the Alaska Asset Management, a significant shareholder. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*6.2. Elect José Rubens de la Rosa - Non-Executive Director*

Non-Executive Director. Not considered independent as the director was previously employed by the Company as Chief Executive Officer from 2000 to 2015. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*7. In Case One of the Nominees Leaves the Board of Directors Slate Due to a Separate Minority Election, as Allowed Under Articles 161 and 240 of the Brazilian Corporate Law, May Your Votes Still Be Counted for the Proposed Slate?*

It is proposed to count shareholders' vote on the slate, in case one of the candidates on the slate is no longer part of it. At this time, no changes have been communicated and abstention is recommended.

*Vote Cast: Abstain*

*8. Elect One as Fiscal Council Member and one as Alternate: Francisco Sergio Quintana da Rosa / Servulo Luiz Zardin*

It is proposed to appoint members of the Fiscal Council in a bundled election: Francisco Sergio Quintana da Rosa as standing member, Servulo Luiz Zardin as secondary member. In terms of good governance, it is considered that all of the candidates to the Fiscal Board should be independent. It is regrettable that the Company has bundled their election instead of seeking support for individual candidates. The candidate Francisco Sergio Quintana da Rosa is not considered to be independent, as he has been on the board for over nine years. On this basis, opposition is recommended.

*Vote Cast: Oppose*

*9. Elect One as Fiscal Council Member and one as Alternate: William Cordeiro / Thiago Costa Jacinto*

It is proposed to appoint members of the Fiscal Council in a bundled election: William Cordeiro as standing member, Thiago Costa Jacinto as secondary member. In terms of good governance, it is considered that all of the candidates to the Fiscal Board should be independent. It is regrettable that the Company has bundled their election instead of seeking support for individual candidates. The candidate William Cordeiro is not considered to be independent, as connected with a significant shareholder: Alaska Asset Management. On this basis, opposition is recommended.

*Vote Cast: Oppose*

*12. Approve Maximum Remuneration*

It is proposed to approve the maximum compensation for Directors, Management and Fiscal Council for next year. It is regrettable that the Company bundled these items, however it is common practice in this market. The amount proposed under this resolution is not the actual remuneration but the global remuneration cap, and includes fixed salaries and short term incentives.

Directors and Fiscal Council receive only fixed fees. For Management, it is proposed to cap remuneration at BRL 15,1 million. Variable remuneration for executives would correspond to up to 250% of the fixed pay, which is deemed excessive. In addition, there is lack of disclosure with respect of targets and measurable criteria for variable remuneration, which prevents shareholders from making an informed assessment. Opposition is recommended.

*Vote Cast: Oppose*

## CAIXABANK SA AGM - 30-03-2023

### 5. *Appoint the Auditors*

PwC proposed. Non-audit fees represented 3.87% of audit fees during the year under review and 1.47% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Abstain*

Results: For: 99.8, Abstain: 0.1, Oppose/Withhold: 0.1,

## TELEFONICA SA AGM - 30-03-2023

### 1.3.. *Approval of the management and activities of the Board of Directors*

Standard resolution. At the company, there is no external whistle-blowing hotline. This suggests that such concerns that should be raised by a whistle-blower are dealt with internally, which may increase the risk of such issues not being followed up or escalating to a level where the higher was the level of the misconduct, the more likely is the issue to be concealed. On this basis, and on the potential unforeseeable consequences for the company, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 98.8, Abstain: 0.8, Oppose/Withhold: 0.4,

### III. *Appoint the Auditors*

PwC proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Abstain*

Results: For: 99.2, Abstain: 0.6, Oppose/Withhold: 0.2,

### VI. *Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares for 15% and five years. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. The Company has stated that this resolution may authorise the Board of Directors to allocate all or part of its repurchased shares to remuneration schemes. However, this is not considered to be sufficient, as it includes only part of the requested authority. As no clear justification was provided by the Board regarding the full use of the authority, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 98.3, Abstain: 0.5, Oppose/Withhold: 1.2,

### VII. *Approve Remuneration Policy*

It is proposed to approve the remuneration policy with a binding vote. Variable remuneration is capped, however there are excessiveness concerns as the total potential variable remuneration may exceed 200% of the salary. The Company has not fully disclosed quantified targets for the performance criteria of its variable remuneration component. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. Nevertheless, opposition is recommended based on potential excessive variable remuneration.

Vote Cast: *Oppose*

Results: For: 92.7, Abstain: 3.2, Oppose/Withhold: 4.1,

#### *IX. Approve the Remuneration Report*

It is proposed to approve the annual report on remuneration of Executive and Non-Executive directors with an advisory vote. There are excessiveness concerns as the total variable remuneration exceeded 200% of the salary. In addition, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, opposition is recommended based on excessive remuneration.

Vote Cast: *Oppose*

Results: For: 92.8, Abstain: 0.9, Oppose/Withhold: 6.3,

### **WAL MART DE MEXICO SA AGM - 30-03-2023**

#### *1D. Receive the Directors Report for Stock Repurchase Employee Plan*

The report was not made available sufficiently before the meeting. Opposition is recommended, as this is considered a serious reporting omission.

Vote Cast: *Oppose*

#### *4. Approve Report on Stock Repurchase Reserve*

The report was not made available sufficiently before the meeting. Opposition is recommended, as this is considered a serious reporting omission.

Vote Cast: *Oppose*

#### *5. Elect Board: Slate Election*

Proposal to elect the Board with a bundled election. Although slate elections are not considered to be best practice, they are common in this market. There is insufficient independent representation on the Board after the meeting as resulting from this slate of candidates.

Vote Cast: *Oppose*

### **PANTHEON INFRASTRUCTURE AGM - 30-03-2023**

#### *9. Appoint Ernst & Young LLP as auditors of the Company*

EY proposed. Non-audit fees represented 15.63% of audit fees during the year under review. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor.

In late 2020 International Auditing and Assurance Standards Board (IAASB) produced a consultation entitled, Fraud and Going Concern and refers to the "expectations gap" in the sense that the public expect more of auditors than is expected of them. By reference to conclusions of the BEIS Select Committee of Parliament and High Court decisions, there isn't an expectations gap so far as the UK at least is concerned. Indeed auditor duties in respect of fraud are onerous and in the Barings case

at the High Court the issue of negligence didn't merely involve the signing of the public accounts by the audit partner with misstated amounts in, but earlier at the time more junior members of staff missed the fraud when it was smaller reviewing a bank reconciliation (a private and not public document).

The IAASB model of auditing is based on auditors certifying information that is "useful to users". That construct side-steps the crucial duties auditors have for the benefit of the company itself as the Barings case demonstrated. In PIRC's view that model fuels an unwarranted expectations gap and, if audits are limited by the standards misdirect the focus of audits to being "useful for users", a delivery gap because the legal standard and duty is broader than the standards themselves state. PIRC has therefore asked the IAASB to reissue its consultation and has also written to the largest accounting firms to repudiate the IAASB consultation and confirm that the concept of an 'expectations gap' does not limit the scope of their work. In parallel PIRC has reviewed responses from the largest accounting firms to the IAASB determine whether they were encouraging or refuting the concept of an expectations gap. Both Deloitte and BDO correctly referred to the "expectations gap" being dependent on local laws. Both firms also referred to problems with international auditing standards and international accounting standards. BDO went so far as to make other recommendations as well. Mazars did similar in giving evidence to the BEIS Select Committee. In the absence of similar statements from PwC, KPMG, EY or Grant Thornton, PIRC is unable to support re-election or re-appointment of those firms as auditors.

Vote Cast: *Oppose*

Results: For: 97.3, Abstain: 0.0, Oppose/Withhold: 2.7,

#### 11. *Authorise Share Repurchase*

Authority is sought to repurchase up to 14.99% of the issued share capital. The authority would expire at the next AGM. Before considering approval of buybacks (and this should come from the board, not the manager), we would like to see a public statement:

- addressing how much of the discount can be explained by capitalisation of the costs (the Total Expense Ratio),
- setting out why the board believes that the performance of the incumbent management is not a contributory factor to the discount, and
- setting out how the current fee structure might be contributing to the discount, for example some investment companies cap management fees, or reduce the manager fee the larger the fund gets,
- setting out the effect of prior year buybacks to help determine the effectiveness of prior buybacks.

Vote Cast: *Oppose*

Results: For: 97.3, Abstain: 0.0, Oppose/Withhold: 2.7,

### **DONGFANG ELECTRIC CORP LTD EGM - 30-03-2023**

#### 1. *Elect Liang Shuo as Supervisor*

The supervisor candidate is not considered independent. There is insufficient independent representation on the supervisory board (less than 33%). Opposition is recommended.

Vote Cast: *Oppose*

### **CORPORACION INMOBILIARIA VESTA SAB DE CV AGM - 30-03-2023**

#### 8. *Presentation and, if Applicable, Approval of the Exercise of the Share Buyback Programme During the Financial Year 2023*

It is proposed to fix the maximum amount available to directors, for the purpose of buying shares on the market. Although this is technically not an authority to repurchase shares, shareholders in Mexico do not approve individual authorities to repurchase shares. As such, identifying the total amount which can be used for

repurchasing shares is considered an indirect authority to buy back shares on the market. These resolutions will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

### **SK SQUARE AGM - 30-03-2023**

#### *1. Approve Financial Statements*

At this time, the financial statements have not been made available. Although not uncommon in this market, it is considered a serious reporting omission. Opposition is recommended.

*Vote Cast: Oppose*

#### *4. Approve Reduction of Capital Reserves*

It is proposed that the capital reserves of the company should be reduced by KRW 1.0 trillion from the current amount of KRW 6.9 trillion. The reduced amount will be converted into the retained earnings, in order to secure stable financial resources for shareholder returns. The financial statements for the year under review have not been disclosed at this time, making an informed assessment impossible. Abstention is recommended.

*Vote Cast: Abstain*

### **ASAHI GLASS CO LTD AGM - 30-03-2023**

#### *1. Appropriation of Surplus*

Japanese companies seek specific authority for the appropriation of any surplus in earnings and this authority includes any distribution of a dividend. The approach to such resolutions rests on the degree to which the dividend payout ratio is in line with the level of distribution which investors could reasonably expect. A dividend of 105 yen per share is proposed, and the dividend payout ratio is approximately 207.1%. which at more than 100% payout, is considered unwise given the capital maintenance needs of the company.

*Vote Cast: Oppose*

### **CANON INC AGM - 30-03-2023**

#### *2.1. Elect Mitarai Fujio - President*

Incumbent President. It is considered that it is the responsibility of the most senior Board members to ensure that there is appropriate outside oversight of Board decisions. As there is inadequate outside presence on the Board (less than three outside directors), an oppose vote on the most senior directors is recommended. . After this meeting, there will be no female directors on the Board. Regardless of the level of independence, it is considered that it is the responsibility of the most senior

Board members to ensure that there is adequate gender diversity on the Board. Although there are no specific legal requirements or recommendations in this market, it is considered that companies should not rely on minimum standards, but aim to best practice, including in gender diversity. Opposition is recommended.

*Vote Cast: Oppose*

#### *2.4. Elect Saida Kunitaro - Non-Executive Director*

Incumbent Non-Executive Director, not considered independent as the candidate's tenure exceeds nine years,

*Vote Cast: Oppose*

#### *3.1. Elect Hatamochi Hideya*

Newly appointed Inside Corporate Auditor. The corporate auditor board is less than 50% independent. Opposition is therefore recommended.

*Vote Cast: Oppose*

### **CORPORACION INMOBILIARIA VESTA SAB DE CV EGM - 30-03-2023**

#### *2. Approve Authority to Increase Authorised Share Capital and Issue Shares*

Authority is sought to increase the authorised share capital of the Company up to USD 6,6 billion. At this time, the company has not disclosed whether successive increases would be carried out with or without pre-emptive rights. As such, the aggregate authority may exceed recommended limits for issues with or without pre-emptive rights. An oppose vote is therefore recommended.

*Vote Cast: Oppose*

### **MINAS BUENAVENTURA SA AGM - 31-03-2023**

#### *3. Approve Fees Payable to the Board of Directors*

The present policy establishes that the annual remuneration of each Board Member will not exceed USD 330,000 or be less than USD 120,000. Non-Executive Directors receive a variable component on top of their fees. It is considered that non-executive directors should receive only fixed fees, as variable compensation may align them with short-term interests and not with long-term supervisory duties. On this basis, opposition is recommended.

*Vote Cast: Oppose*

#### *4. Appoint the Auditors: EY*

EY proposed. Non-audit fees represented 2.00% of audit fees during the year under review and 1.94% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.



Vote Cast: *Oppose*

### **UNICREDIT SPA AGM - 31-03-2023**

#### **0010. *Approve Financial Statements***

The financial statements were made available sufficiently before the meeting and has been audited and certified. However, there are some concerns surrounding the board-level governance of sustainability issues, policies and practice. As such, it is considered that the annual report and the financial statements may not accurately reflect the material and financial impact of non-traditional financial risks. These concerns should have been addressed in the financial statements submitted to shareholders, but the financial statements fail to address these concerns and it is recommended to abstain from voting on this resolution.

Vote Cast: *Abstain*

#### **0040. *Authorise Share Repurchase***

It is proposed to authorise the Board to purchase Company's shares for 18 months. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

#### **0050. *2023 Group Remuneration Policy***

It is proposed to approve the remuneration policy. Variable remuneration appears to be consistently capped, and the payout is in line with best practice. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. The Company has disclosed quantified targets for performance criteria for the entirety of its variable remuneration component. Nevertheless, there are concerns with the vagueness of the non-financial indicators, as well as on the actual possibility for the CEO to have an impact so decisive on issues such as environment- and social-related portfolios. This may lead to overpayment against underperformance. On balance, abstention is recommended.

Vote Cast: *Abstain*

#### **0060. *Remuneration Report***

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

Vote Cast: *Abstain*

#### **0070. *2023 Group Incentive System***

The Board proposes the approval of a new executive incentive plan. Under the plan, participants will be allotted shares or rights to shares. The 2023 System consists of: - allocation of a variable incentive based on a pre-defined bonus pool, on the beneficiary's individual performance evaluation and on

the benchmark for specific roles/markets, as well as consistent with the ratio between fixed and variable compensation set by the Ordinary Shareholder's meeting; - definition of "upfront" (i.e. done at the moment of the performance evaluation) and "deferred" payments, in cash and in equity instruments; - distribution of equity instruments payments with equity instruments retention periods (one year for both upfront and deferred equity instruments); - risk adjusted metrics in order to guarantee long-term sustainability with respect to company's financial position and to ensure compliance with Regulator's expectations.

For the CEO, GEC members and Group Chief Audit Executive, in 2025 the first instalment of the total incentive will be paid in free UniCredit ordinary shares; the remaining amount of the overall incentive will be assigned in various instalments in cash and/or equity instruments during the period 2028-2030 (20% each year).

Malus conditions ("Zero Factor" or "Reduced Scenario") will be applied in case specific thresholds on capital, liquidity and profitability are not met at Group level. Malus and claw-back mechanisms may apply in the case of verification of behaviours adopted in the reference period (performance period) at individual level. In particular, the Bonus Pool linked to 2023 performance will be zeroed or reduced, while the previous systems deferrals could be reduced from 50% to 100% of their value, based on actual results and on the assessment done by Group Risk Management function. Performance targets, particularly the qualitative assessment of ESG volumes, DE&I ambitions and climate-risk Net Zero commitments, have not been fully quantified at this time, which makes an informed assessment impossible and may lead to (partial) payment against (partial) failure.

LTIP based schemes are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the Company (creating capital and - lawful - dividends). They act as a complex and opaque hedge against absolute Company underperformance and long-term share price falls. They are also a significant factor in reward for failure.

*Vote Cast: Oppose*

## **FOMENTO ECONOMICO MEXICANO AGM - 31-03-2023**

### *1. Approve Financial Statements*

At this time, the financial statements have not been made available. Although not uncommon in this market, it is considered a serious reporting omission. Opposition is recommended.

*Vote Cast: Oppose*

### *3. Authorise Maximum Amount of Share Repurchase*

It is proposed to fix the maximum amount available to directors, for the purpose of buying shares on the market. Although this is technically not an authority to repurchase shares, shareholders in Mexico do not approve individual authorities to repurchase shares. As such, identifying the total amount which can be used for repurchasing shares is considered an indirect authority to buy back shares on the market. These resolutions will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

### *4A. Elect José Antonio Fernández Carbajal - Chair (Executive)*

Executive Chair. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Holding an executive position is incompatible with this and a vote to Oppose is recommended.

*Vote Cast: Oppose*

*6. Elect Members and Chair of Operation and Strategy, Audit, and Corporate Practices and Nominations Committees; Approve Their Remuneration*

Proposal to elect members and Chair of Operation and Strategy, Audit, and Corporate Practices and Nominations Committees with a bundled election. Although slate elections are not considered to be best practice, they are common in this market. There is insufficient independent representation on the Board after the meeting as resulting from this slate of candidates.

*Vote Cast: Oppose*

*4C. Elect Paulina Garza Lagüera Gonda - Non-Executive Director*

Non-Executive Director. Not considered to be independent as she is Sister-in-law of Jose Antonio Fernandez Carbajal and sister of Eva María Garza Languera Gonda, Mariana Garza Lagüera Gonda and Bárbara Garza Lagüera Gonda. In addition, not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*4E. Elect Alfonso Garza Garza - Non-Executive Director*

Non-Executive Director. He is FEMSA Vice Presidente of Strategic Business. He has family ties with the Chair and is cousin of primos Eva María Garza Lagüera Gonda, Paulina Garza Lagüera Gonda and Bárbara Garza Lagüera Gonda. Secondary Board member for the period 2009-2016. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*4G. Elect Alejandro Bailléres Gual - Non-Executive Director*

Non-Executive Director. Not considered to be independent as he has shared voting power in the shareholder agreement which held a controlling stake of then share capital and the majority of the voting rights and is owned by the technical committee and trust participants. As consequence of the voting trust's internal procedures, the trust participants are deemed to have beneficial ownership with shared voting power of the shares deposited in the voting trust. Series B shares Director. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*4H. Elect Bárbara Garza Lagüera Gonda - Non-Executive Director*

Non-Executive Director. Not considered independent as the director has close family ties with the Company. She is sister of Eva María Garza Languera Gonda and Mariana Garza Lagüera Gonda. In addition, not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*4I. Elect Enrique F. Senior Hernández - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder: Coca-Cola FEMSA. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*4J. Elect Michael Larson - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*4K. Elect Ricardo Saldivar Escajadillo - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*4L. Elect Alfonso González Migoya - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder: Coca-Cola FEMSA. Additionally, not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*4P. Elect Alternate Director: Michael Kahn*

Alternate directors are not considered to be best practice. While point of board continuity is taken, it is considered that co-option and subsequent ratification by shareholders at a general meeting (to be called without delay) are mechanisms sufficient for the pursue of this goal.

*Vote Cast: Oppose*

*4Q. Elect Alternate Director: Francisco Zambrano Rodrigues*

Alternate directors are not considered to be best practice. While point of board continuity is taken, it is considered that co-option and subsequent ratification by shareholders at a general meeting (to be called without delay) are mechanisms sufficient for the pursue of this goal.

*Vote Cast: Oppose*

*4R. Elect Alternate Director: Jaime A. El Koury*

Alternate directors are not considered to be best practice. While point of board continuity is taken, it is considered that co-option and subsequent ratification by shareholders at a general meeting (to be called without delay) are mechanisms sufficient for the pursue of this goal.

*Vote Cast: Oppose*

## BANCO SANTANDER SA AGM - 31-03-2023

### 3E. *Reelection - Ana Botín-Sanz de Sautuola y OShea - Chair (Executive)*

Executive Chair. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Holding an executive position is incompatible with this and a vote to Oppose is recommended.

Vote Cast: *Oppose*

Results: For: 97.7, Abstain: 0.4, Oppose/Withhold: 1.8,

### 3F. *Reelection - Sol Daurella Comadran - Non-Executive Director*

Lead Independent Director. Considered independent. This director has an attendance record of less than 90% for both Board and Committee meetings which they were eligible to attend during the year. An oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 96.7, Abstain: 0.3, Oppose/Withhold: 3.0,

### 4. *Re-elect PricewaterhouseCoopers as external auditor*

PwC proposed. Non-audit fees represented 4.67% of audit fees during the year under review and 3.32% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

Vote Cast: *Abstain*

Results: For: 99.0, Abstain: 0.3, Oppose/Withhold: 0.7,

### 5C. *Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares for 10% and five years. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. The Company has stated that this resolution may authorise the Board of Directors to allocate all or part of its repurchased shares to remuneration schemes. However, this is not considered to be sufficient, as it includes only part of the requested authority. As no clear justification was provided by the Board regarding the full use of the authority, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 98.5, Abstain: 0.2, Oppose/Withhold: 1.3,

### 5D. *Issue Debt Securities*

The Board requests shareholder authorization to issue debt, including convertible debt without pre-emptive rights, up to 10% of the share capital, over a period of five years. This is in accordance with Article 507 of the Capital Companies Act and the limit for issuance without pre-emptive rights is within guidelines. However, it would be preferred that shareholders approved or re-approved issues without pre-emptive rights annually.

Vote Cast: *Oppose*

Results: For: 96.4, Abstain: 0.2, Oppose/Withhold: 3.3,

### 6D. *Approve Deferred Multiyear Objectives Variable Remuneration Plan*

The Board proposes the approval of a new long-term incentive plan. Under the plan, the CEO and other executives will be awarded rights to shares, a portion (or all) of which will vest depending on the achievement of some performance criteria.

LTIP schemes are not considered an effective means of incentivising performance and are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the company. They are acting as a complex and opaque hedge against absolute company underperformance and long-term share price falls. They are also a significant factor in reward for failure.

Vote Cast: *Oppose*

Results: For: 95.3, Abstain: 1.5, Oppose/Withhold: 3.2,

#### *6E. Application of the Groups Buy-out Regulations*

Proposal to grant executives who as a result of accepting a job offer from the bank losses certain rights to variable remuneration from their previous company. The maximum number of shares available for this proposal is 40 million euros which is 0.04% of the share capital. However, such policies should be submitted case by case in order shareholders to approve them. As the proposal is in general policy it is recommended to oppose.

Vote Cast: *Oppose*

Results: For: 98.1, Abstain: 0.3, Oppose/Withhold: 1.6,

### **AMP LTD AGM - 31-03-2023**

#### *3. Approve the Remuneration Report*

It is proposed to approve the implementation of the remuneration policy. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. On balance, abstention is recommended.

Vote Cast: *Abstain*

#### *4. Approve CEO's long-term incentive for 2023*

The Board is seeking shareholder approval for the purposes of ASX Listing Rule 10.14 for the grant of 1,253,472 performance shares to the Chief Executive And Managing Director, under the company's Long-term Incentive Plan. The proposed grant has an approximate value of AUD 1,715,000 which equates to 100% of the CE's fixed remuneration.

Although the potential award is not considered to be excessive, concerns over the plan are raised as awards are based on performance conditions which do not run interdependently.

LTIP based schemes are inherently flawed. LTIPs are not considered an effective means of incentivising performance. These schemes are not considered to be properly long term and are subject to manipulation due to their discretionary nature.

Vote Cast: *Oppose*

#### *5. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

Vote Cast: *Oppose*

### **TY HOLDINGS CO. LTD AGM - 31-03-2023**

#### *1. Approve Financial Statements*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

Vote Cast: *Abstain*

#### *3. Elect Director*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

Vote Cast: *Abstain*

#### *4. Elect Audit Committee*

In terms of best practice it is considered that it should comprise only independent directors. No information has been disclosed in regards to the candidates to the Committee. Abstention is thus recommended.

Vote Cast: *Abstain*

#### *5. Approve Fees Payable to the Board of Directors*

There is insufficient English disclosure of meeting materials in a timely manner to provide an informed vote. An abstain vote is recommended.

Vote Cast: *Abstain*

### **PHAROL SGPS SA AGM - 31-03-2023**

#### *4. Discharge the Board*

The Company has not appointed a Data Protection Officer or discussed the General Data Protection Regulation (GDPR). Under the GDPR, it is mandatory for certain controllers and processors to designate a Data Protection Officer (DPO). It is considered that boards should ensure that risk assessment (including data protection and cyber risk) is complete for the entire organisation, and that appropriate security is provided for each type of data under use. Applicable from 25 May 2018, it is considered that directors should be considered accountable for this lack of discussion and relevant appointment: abstention to their discharge is recommended.

Vote Cast: *Abstain*

#### *5. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares up to 10% of the share capital for 18 months. This resolution will not be supported unless the

Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*

#### *6. Approve Remuneration Policy*

It is proposed to approve the remuneration policy. Variable remuneration appears to be consistently capped, and the payout is in line with best practice. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not disclosed quantified targets for performance criteria for its variable remuneration component, which may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

### **DBS GROUP HOLDINGS LTD AGM - 31-03-2023**

#### *4. Appoint the Auditors and Allow the Board to Determine their Remuneration*

PwC proposed. Non-audit fees represented 10.68% of audit fees during the year under review and 13.70% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The date of appointment of the current audit firm is undisclosed, meaning the length of tenure is not known. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.

*Vote Cast: Oppose*

#### *5. Re-Elect Peter Seah Lim Huat - Chair (Non Executive)*

Non-Executive Chair. Not considered independent owing to a tenure of over nine years. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence. Therefore, opposition is recommended.

*Vote Cast: Oppose*

#### *12. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, an oppose vote is recommended.

*Vote Cast: Oppose*



## 4 Appendix

The regions are categorised as follows:

ASIA	China; Hong Kong; Indonesia; India; South Korea; Laos; Macao; Malaysia; Philippines; Singapore; Thailand; Taiwan; Papua New Guinea; Vietnam
SANZA	Australia; New Zealand; South Africa
EUROPE/GLOBAL EU	Albania; Austria; Belgium; Bosnia; Bulgaria; Croatia; Cyprus; Czech Republic; Denmark; Estonia; France; Finland; Germany; Greece; Hungary; Ireland; Italy; Latvia; Liechtenstein; Lithuania; Luxembourg; Moldova; Monaco; Montenegro; Netherlands; Norway; Poland; Portugal; Spain; Sweden; Switzerland
JAPAN	Japan
USA/CANADA	USA; Canada; Bermuda
UK/BRIT OVERSEAS	UK; Cayman Islands; Gibraltar; Guernsey; Jersey
SOUTH AMERICA	Argentina; Bolivia; Brazil; Chile; Colombia; Costa Rica; Cuba; Ecuador; El Salvador; Guatemala; Honduras; Mexico; Nicaragua; Panama; Paraguay; Peru; Uruguay; Venezuela
REST OF WORLD	Any Country not listed above

The following is a list of commonly used acronyms and definitions.

Acronym	Description
AGM	Annual General Meeting
CEO	Chief Executive Officer
EBITDA	Earnings Before Interest Tax Depreciation and Amortisation
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FY	Financial Year
KPI	Key Performance Indicators - financial or other measures of a company's performance
LTIP	Long Term Incentive Plan - Equity based remuneration scheme which provides stock awards to recipients
NED	Non-Executive Director
NEO	Named Executive Officer - Used in the US to refer to the five highest paid executives
PLC	Publicly Listed Company
PSP	Performance Share Plan
ROCE	Return on Capital Employed
SID	Senior Independent Director
SOP	Stock Option Plan - Scheme which grants stock options to recipients
TSR	Total Shareholder Return - Stock price appreciation plus dividends

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