



# West Yorkshire Pension Fund

## PROXY VOTING REVIEW

PERIOD 1<sup>st</sup> January 2024 to 31<sup>st</sup> March 2024

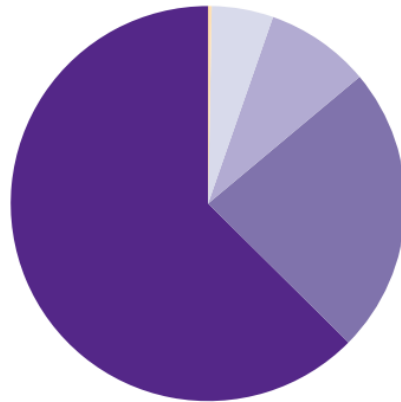
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# 1 Resolution Analysis

- Number of resolutions voted: 2401 (note that it MAY include non-voting items).
- Number of resolutions supported by client: 1502
- Number of resolutions opposed by client: 564
- Number of resolutions abstained by client: 206
- Number of resolutions Non-voting: 121
- Number of resolutions Withheld by client: 6
- Number of resolutions Not Supported by client: 1

Resolutions Voted

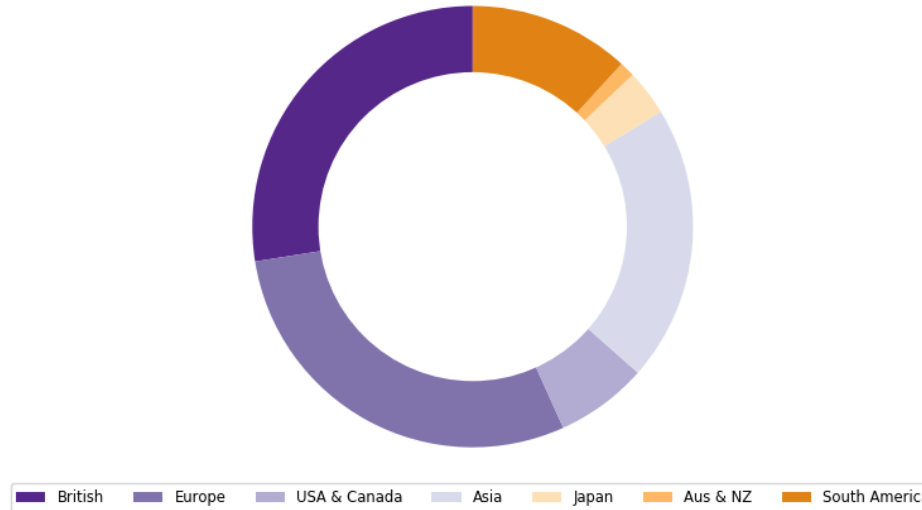


For Oppose Abstain Non-Voting Withheld Not Supported

### 1.1 Number of meetings voted by geographical location

Location	Number of Meetings Voted
UK & BRITISH OVERSEAS	49
EUROPE & GLOBAL EU	52
USA & CANADA	12
ASIA	36
JAPAN	6
AUSTRALIA & NEW ZEALAND	2
SOUTH AMERICA	21
<b>TOTAL</b>	<b>178</b>

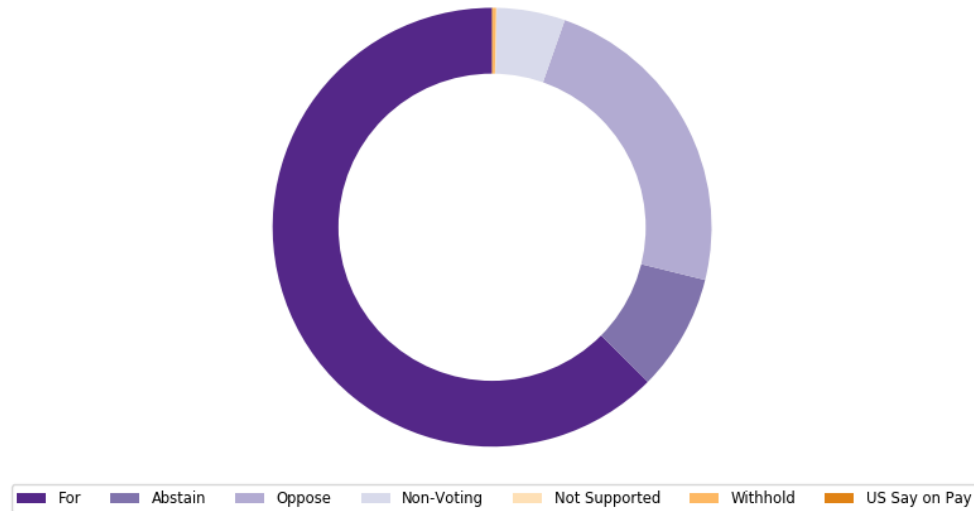
Meetings voted by geographic location



## 1.2 Number of Resolutions by Vote Categories

Vote Categories	Number of Resolutions
For	1502
Abstain	206
Oppose	564
Non-Voting	121
Not Supported	1
Withhold	6
US Frequency Vote on Pay	1
Withdrawn	0
<b>TOTAL</b>	<b>2401</b>

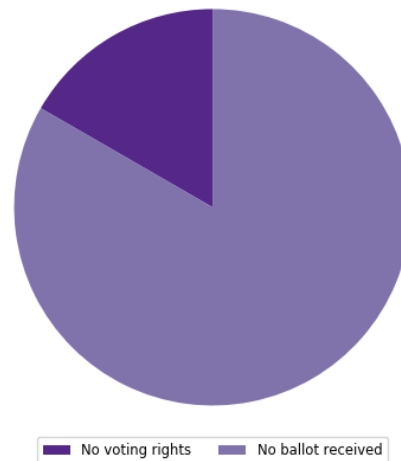
Resolutions by Vote Category



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

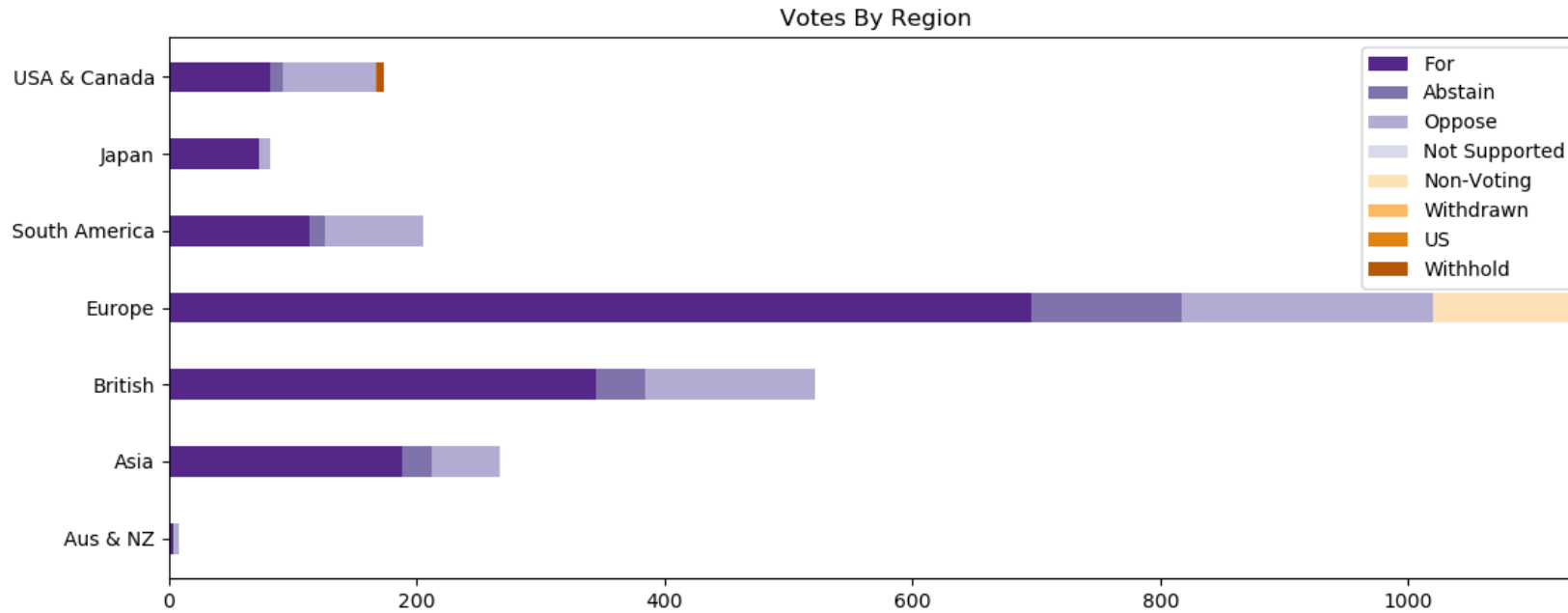
Company	Meeting Date	Type	Comment
GENINCODE PLC	09-01-2024	EGM	No ballot received
IMPELLAM GROUP PLC	17-01-2024	EGM	No ballot received
IMPELLAM GROUP PLC	17-01-2024	COURT	No ballot received
ALLERGY THERAPEUTICS PLC	08-03-2024	AGM	No voting rights
BANCO BRADESCO	11-03-2024	EGM	No ballot received
EL PUERTO DE LIVERPOOL SA	12-03-2024	AGM	No ballot received
AP MOLLER - MAERSK AS	14-03-2024	AGM	No voting rights
HANKOOK TIRE CO LTD	28-03-2024	AGM	No ballot received
TIM SA	28-03-2024	EGM	No ballot received
BRF - BRASIL FOODS SA	28-03-2024	AGM	No ballot received
BRF - BRASIL FOODS SA	28-03-2024	EGM	No ballot received
ASAHI GLASS CO LTD	28-03-2024	AGM	No ballot received

Meetings Not Voted



### 1.4 Number of Votes by Region

	For	Abstain	Oppose	Non-Voting	Not Supported	Withhold	Withdrawn	US Frequency Vote on Pay	Total
UK & BRITISH OVERSEAS	345	39	138	0	0	0	0	0	522
EUROPE & GLOBAL EU	696	121	203	121	0	0	0	0	1141
USA & CANADA	82	10	75	0	0	6	0	1	174
ASIA	188	24	55	0	1	0	0	0	268
JAPAN	73	0	9	0	0	0	0	0	82
AUSTRALIA & NEW ZEALAND	4	0	5	0	0	0	0	0	9
SOUTH AMERICA	114	12	79	0	0	0	0	0	205
<b>TOTAL</b>	<b>1502</b>	<b>206</b>	<b>564</b>	<b>121</b>	<b>1</b>	<b>6</b>	<b>0</b>	<b>1</b>	<b>2401</b>

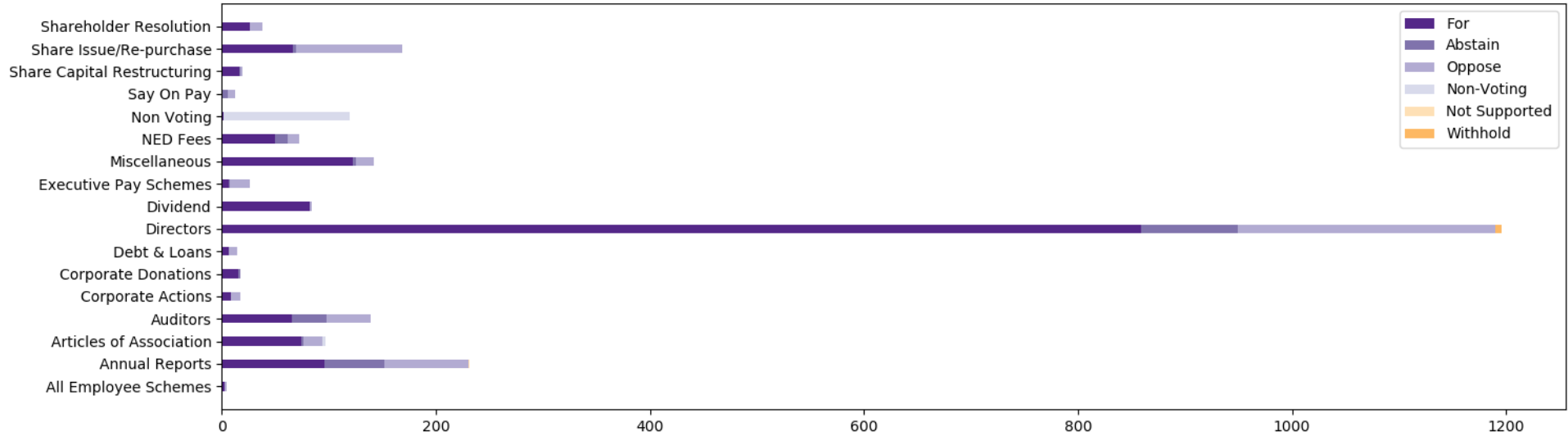


## 1.5 Votes Made in the Portfolio Per Resolution Category

	Portfolio						
	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
All Employee Schemes	3	0	2	0	0	0	0
Annual Reports	96	56	79	0	1	0	0
Articles of Association	74	2	18	3	0	0	0
Auditors	66	32	41	0	0	0	0
Corporate Actions	9	0	8	0	0	0	0
Corporate Donations	15	2	0	0	0	0	0
Debt & Loans	7	0	7	0	0	0	0
Directors	859	90	241	0	0	6	0
Dividend	82	0	2	0	0	0	0
Executive Pay Schemes	7	1	18	0	0	0	0
Miscellaneous	123	2	17	0	0	0	0
NED Fees	50	12	10	0	0	0	0
Non-Voting	2	0	0	118	0	0	0
Say on Pay	0	6	7	0	0	0	0
Share Capital Restructuring	16	1	2	0	0	0	0
Share Issue/Re-purchase	67	2	100	0	0	0	0
Shareholder Resolution	26	0	12	0	0	0	0



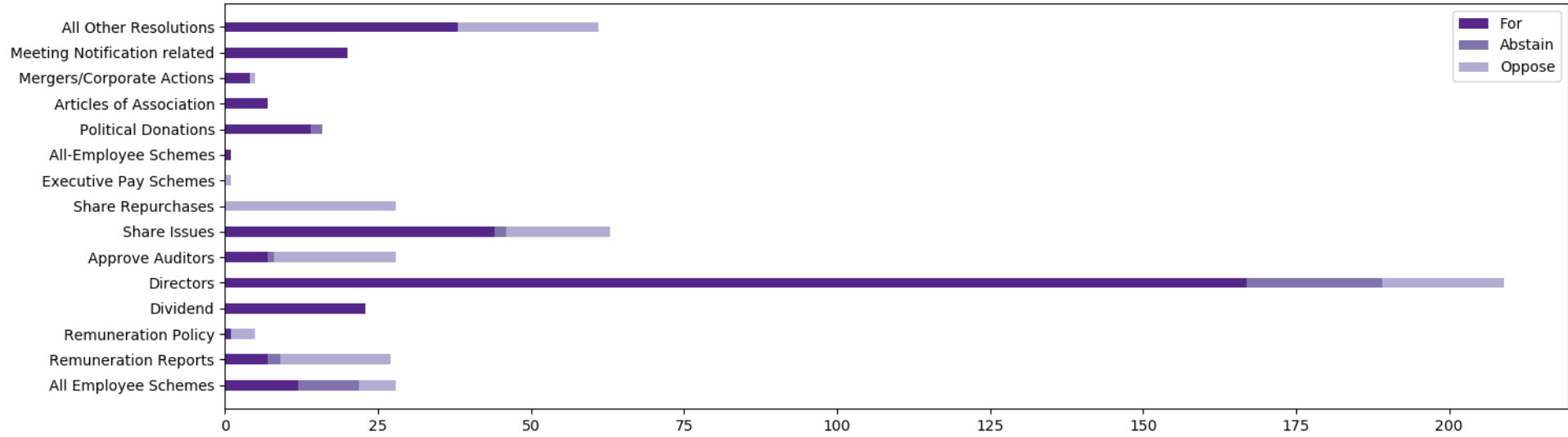
Votes Made in Portfolio by Resolution Category



## 1.6 Votes Made in the UK Per Resolution Category

	UK						
	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
Annual Reports	12	10	6	0	0	0	0
Remuneration Reports	7	2	18	0	0	0	0
Remuneration Policy	1	0	4	0	0	0	0
Dividend	23	0	0	0	0	0	0
Directors	167	22	20	0	0	0	0
Approve Auditors	7	1	20	0	0	0	0
Share Issues	44	2	17	0	0	0	0
Share Repurchases	0	0	28	0	0	0	0
Executive Pay Schemes	0	0	1	0	0	0	0
All-Employee Schemes	1	0	0	0	0	0	0
Political Donations	14	2	0	0	0	0	0
Articles of Association	7	0	0	0	0	0	0
Mergers/Corporate Actions	4	0	1	0	0	0	0
Meeting Notification related	20	0	0	0	0	0	0
All Other Resolutions	38	0	23	0	0	0	0
Shareholder Resolution	0	0	0	0	0	0	0

Votes Made in UK by Resolution Category

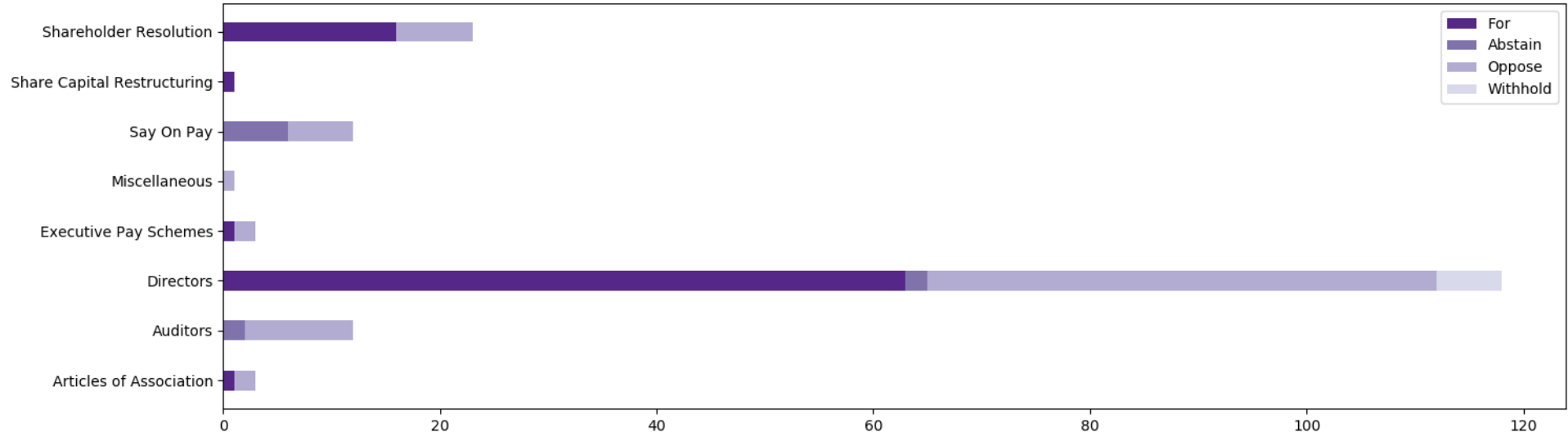


## 1.7 Votes Made in the US/Global US & Canada Per Resolution Category

### US/Global US & Canada

	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
All Employee Schemes	0	0	0	0	0	0	0
Annual Reports	0	0	0	0	0	0	0
Articles of Association	1	0	2	0	0	0	0
Auditors	0	2	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	63	2	47	0	0	6	0
Dividend	0	0	0	0	0	0	0
Executive Pay Schemes	1	0	2	0	0	0	0
Miscellaneous	0	0	1	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	6	6	0	0	0	0
Share Capital Restructuring	1	0	0	0	0	0	0
Share Issue/Re-purchase	0	0	0	0	0	0	0

Votes Made in US/Global US & Canada by Resolution Category



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

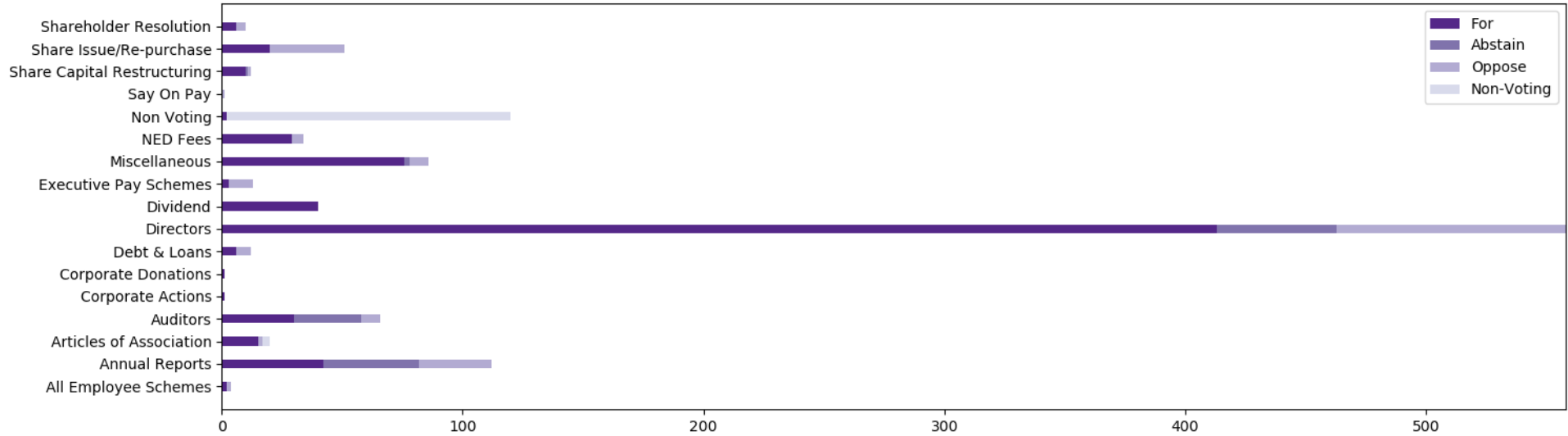
### US/Global US and Canada

	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
<b>Social Policy</b>							
Human Rights	0	1	0	0	4	0	0
Employment Rights	0	0	0	0	1	0	0
Animal Rights	0	1	0	0	0	0	0
Lobbying	0	1	0	0	0	0	0
<b>Executive Compensation</b>							
Severance Payments	0	2	0	0	0	0	0
<b>Voting Rules</b>							
Simple Majority Voting	0	1	0	0	0	0	0
<b>Corporate Governance</b>							
Other	0	6	0	0	0	0	0

## 1.9 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	2	0	2	0	0	0	0
Annual Reports	42	40	30	0	0	0	0
Articles of Association	15	0	2	3	0	0	0
Auditors	30	28	8	0	0	0	0
Corporate Actions	1	0	0	0	0	0	0
Corporate Donations	1	0	0	0	0	0	0
Debt & Loans	6	0	6	0	0	0	0
Directors	413	50	95	0	0	0	0
Dividend	40	0	0	0	0	0	0
Executive Pay Schemes	3	0	10	0	0	0	0
Miscellaneous	76	2	8	0	0	0	0
NED Fees	29	0	5	0	0	0	0
Non-Voting	2	0	0	118	0	0	0
Say on Pay	0	0	1	0	0	0	0
Share Capital Restructuring	10	1	1	0	0	0	0
Share Issue/Re-purchase	20	0	31	0	0	0	0
Shareholder Resolution	6	0	4	0	0	0	0

Votes Made in EU & Global EU by Resolution Category

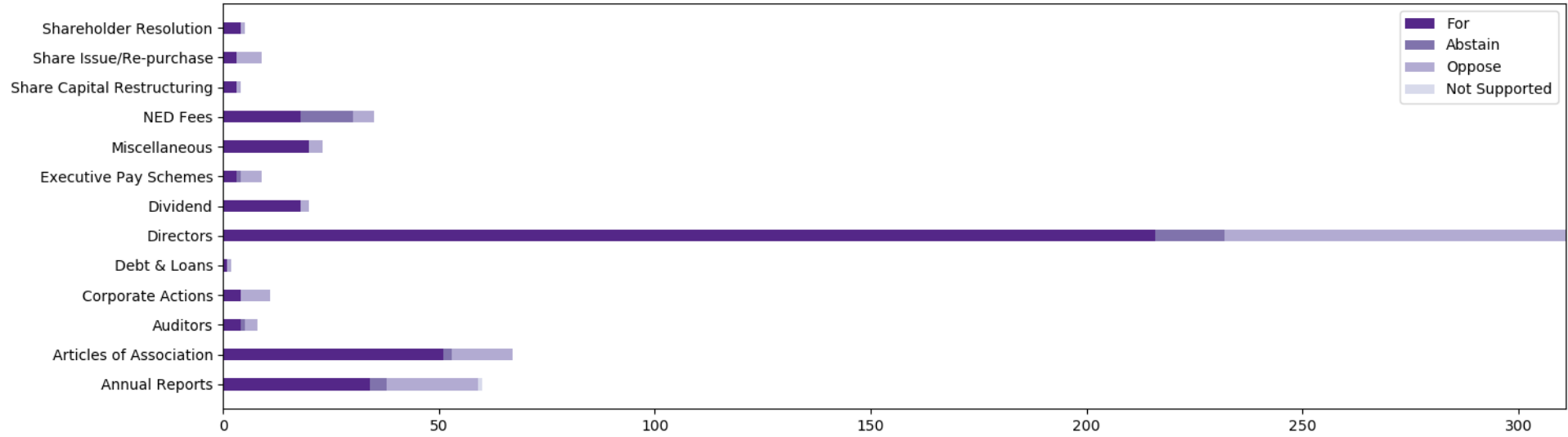




## 1.10 Votes Made in the Global Markets Per Resolution Category

	Global Markets						
	For	Abstain	Oppose	Non-Voting	Not Supported	Withheld	Withdrawn
All Employee Schemes	0	0	0	0	0	0	0
Annual Reports	34	4	21	0	1	0	0
Articles of Association	51	2	14	0	0	0	0
Auditors	4	1	3	0	0	0	0
Corporate Actions	4	0	7	0	0	0	0
Corporate Donations	0	0	0	0	0	0	0
Debt & Loans	1	0	1	0	0	0	0
Directors	216	16	79	0	0	0	0
Dividend	18	0	2	0	0	0	0
Executive Pay Schemes	3	1	5	0	0	0	0
Miscellaneous	20	0	3	0	0	0	0
NED Fees	18	12	5	0	0	0	0
Non-Voting	0	0	0	0	0	0	0
Say on Pay	0	0	0	0	0	0	0
Share Capital Restructuring	3	0	1	0	0	0	0
Share Issue/Re-purchase	3	0	6	0	0	0	0
Shareholder Resolution	4	0	1	0	0	0	0

Votes Made in Global Markets by Resolution Category



## 1.11 Geographic Breakdown of Meetings All Supported

### SZ

Meetings	All For	AGM	EGM
2	0	0	0

### AS

Meetings	All For	AGM	EGM
36	6	4	2

### UK

Meetings	All For	AGM	EGM
49	17	0	17

### EU

Meetings	All For	AGM	EGM
52	3	1	2

### SA

Meetings	All For	AGM	EGM
21	7	1	6

### GL

Meetings	All For	AGM	EGM
0	0	0	0

### JP

Meetings	All For	AGM	EGM
6	1	1	0

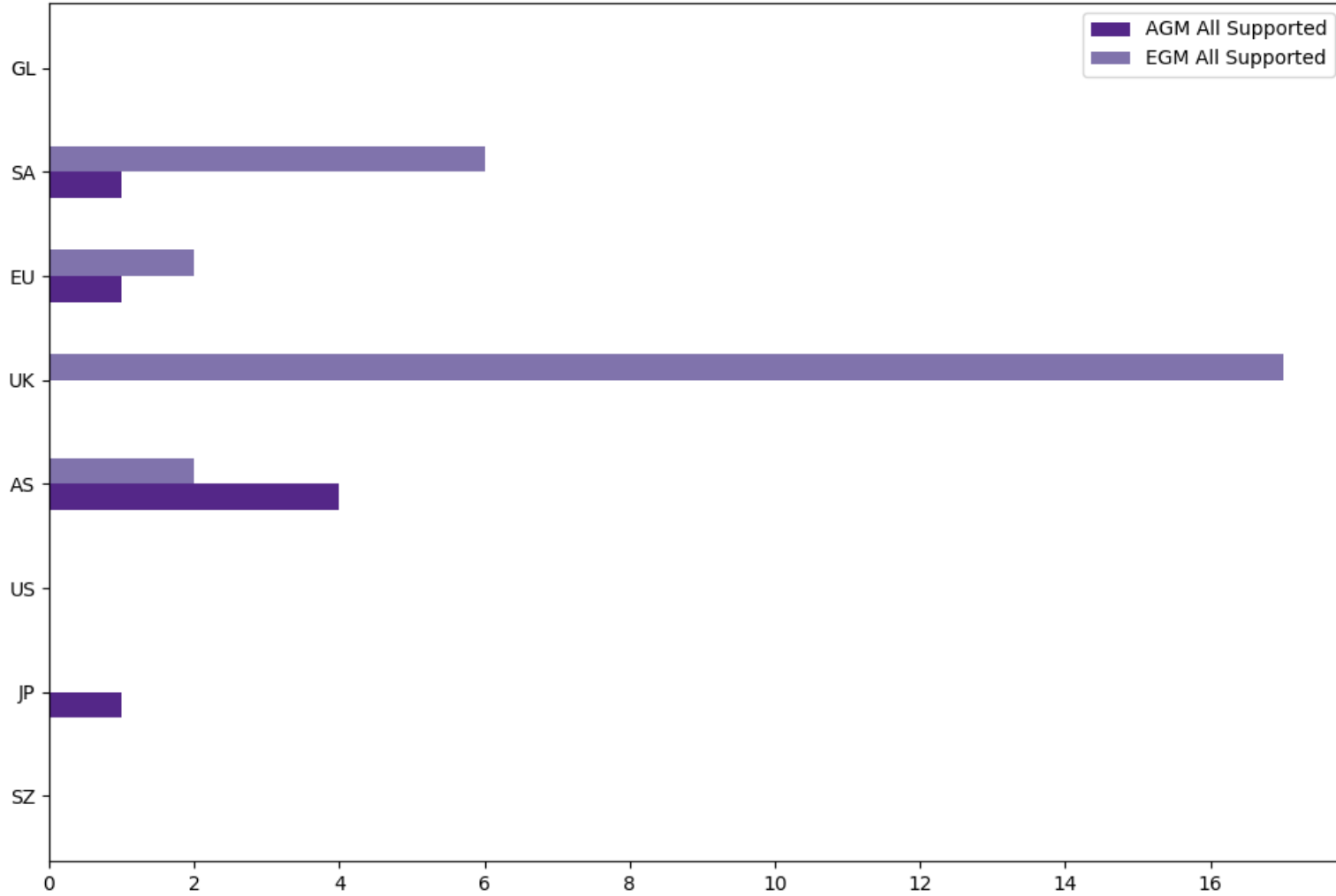
### US

Meetings	All For	AGM	EGM
12	0	0	0

### TOTAL

Meetings	All For	AGM	EGM
178	34	7	27

Geographic Breakdown of Meetings All Supported



## 1.12 List of all meetings voted

Company	Meeting Date	Type	Resolutions	For	Abstain	Oppose
JIANGXI COPPER CO LTD	04-01-2024	EGM	3	3	0	0
VELOCYS PLC	08-01-2024	COURT	1	1	0	0
VELOCYS PLC	08-01-2024	EGM	1	1	0	0
VIAPLAY GROUP AB	10-01-2024	EGM	7	7	0	0
EDISTON PROPERTY INVESTMENT COMPANY	11-01-2024	EGM	1	1	0	0
ELLAKTOR SA	11-01-2024	EGM	5	3	1	0
TEN ENTERTAINMENT GROUP PLC	11-01-2024	EGM	1	1	0	0
TEN ENTERTAINMENT GROUP PLC	11-01-2024	COURT	1	1	0	0
CASINO GUICHARD PERRACHON SA	11-01-2024	EGM	1	0	1	0
HEXAGON PURUS AS	11-01-2024	EGM	5	2	0	3
MONDI PLC	15-01-2024	EGM	5	4	0	1
HOTEL CHOCOLAT GROUP	16-01-2024	EGM	1	1	0	0
HOTEL CHOCOLAT GROUP	16-01-2024	COURT	1	1	0	0
D. R. HORTON INC.	17-01-2024	AGM	12	4	1	6
COSTCO WHOLESALE CORPORATION	18-01-2024	AGM	14	6	1	7
SMART METERING SYSTEMS PLC	18-01-2024	EGM	1	1	0	0
SMART METERING SYSTEMS PLC	18-01-2024	COURT	1	1	0	0
FOCUSRITE PLC	19-01-2024	AGM	13	6	0	7
VISA INC	23-01-2024	AGM	16	11	2	3
BECTON, DICKINSON AND COMPANY	23-01-2024	AGM	13	4	1	8
MARSTON'S PLC	23-01-2024	AGM	15	11	0	4
TELEFONICA BRASIL SA	24-01-2024	EGM	4	4	0	0
MOTOR OIL CORINTH REFINERIES	24-01-2024	EGM	1	0	1	0
AIR PRODUCTS AND CHEMICALS INC.	25-01-2024	AGM	11	5	1	5
BRITVIC PLC	25-01-2024	AGM	20	15	0	5
BARINGS EMERGING EMEA OPPORTUNITIES PLC	25-01-2024	AGM	14	13	0	1

Company	Meeting Date	Type	Resolutions	For	Abstain	Oppose
WH SMITH PLC	26-01-2024	AGM	19	14	0	5
HMS NETWORKS AB	26-01-2024	EGM	8	6	0	0
ON THE BEACH GROUP PLC	26-01-2024	AGM	19	12	2	5
AVON PROTECTION PLC	26-01-2024	AGM	19	5	6	8
AGRICULTURAL BANK OF CHINA	30-01-2024	EGM	2	0	0	2
SSP GROUP PLC	30-01-2024	AGM	21	14	2	5
MTG-MODERN TIMES GROUP AB	30-01-2024	EGM	9	6	0	0
METRO INC.	30-01-2024	AGM	18	15	0	3
RENEW HOLDINGS PLC	30-01-2024	AGM	15	10	1	4
ACCENTURE PLC	31-01-2024	AGM	18	8	0	10
IMPERIAL BRANDS PLC	31-01-2024	AGM	21	16	1	4
EVN AG	01-02-2024	AGM	10	4	3	2
THE SAGE GROUP PLC	01-02-2024	AGM	21	15	0	6
DISTRIBUCION INTEGRAL LOGISTA HOLDINGS	02-02-2024	AGM	19	12	0	6
THYSSENKRUPP AG	02-02-2024	AGM	34	2	0	31
BANCO DO BRASIL	02-02-2024	EGM	3	3	0	0
DONGFANG ELECTRIC CORP LTD	05-02-2024	EGM	3	2	0	1
DONGFANG ELECTRIC CORP LTD	05-02-2024	CLASS	1	0	0	1
QINETIQ GROUP PLC	06-02-2024	EGM	1	0	0	1
EMERSON ELECTRIC CO.	06-02-2024	AGM	9	5	0	4
NORDIC SEMICONDUCTOR	06-02-2024	EGM	4	4	0	0
GRAINGER PLC	07-02-2024	AGM	18	13	0	5
FUTURE PLC	07-02-2024	AGM	20	11	4	5
ASOS PLC	07-02-2024	AGM	18	13	3	2
COMPASS GROUP PLC	08-02-2024	AGM	23	12	6	5
BENCHMARK HOLDINGS PLC	08-02-2024	AGM	16	7	0	9
EASYJET PLC	08-02-2024	AGM	20	16	0	4
SIEMENS AG	08-02-2024	AGM	37	31	0	5

Company	Meeting Date	Type	Resolutions	For	Abstain	Oppose
QLIRO AB	09-02-2024	EGM	9	5	0	1
VICTREX PLC	09-02-2024	AGM	19	13	3	3
MEARS GROUP PLC	12-02-2024	EGM	1	0	0	1
JPMORGAN UK SMALL CAP GROWTH & INCOME PLC	12-02-2024	EGM	3	3	0	0
JPMORGAN INDIAN I.T. PLC	13-02-2024	AGM	14	9	0	5
GRAINCORP LTD	14-02-2024	AGM	4	2	0	2
TRITAX EUROBOX PLC	14-02-2024	AGM	15	7	4	4
HYPERA SA	21-02-2024	EGM	3	3	0	0
GOOCH & HOUSEGO PLC	21-02-2024	AGM	15	11	1	3
ARISTOCRAT LEISURE LTD	22-02-2024	AGM	5	2	0	3
MINAS BUENAVENTURA SA	22-02-2024	EGM	1	1	0	0
INFINEON TECHNOLOGIES AG	23-02-2024	AGM	33	28	1	3
CHEMRING GROUP PLC	23-02-2024	AGM	20	11	2	7
SIEMENS ENERGY AG	26-02-2024	AGM	36	31	1	3
BANK OF CHINA LTD	26-02-2024	EGM	4	4	0	0
LONDONMETRIC PROPERTY PLC	27-02-2024	EGM	1	1	0	0
APPLE INC	28-02-2024	AGM	15	3	0	12
DEERE & COMPANY	28-02-2024	AGM	16	4	0	12
AB DYNAMICS PLC	28-02-2024	AGM	11	10	0	1
KONE CORP	29-02-2024	AGM	28	15	3	6
INDUSTRIAL & COMMERCIAL BANK CHINA	29-02-2024	EGM	4	3	0	1
VIRGIN MONEY UK PLC	01-03-2024	AGM	26	13	2	11
NOVONESIS (NOVOZYMES) B	04-03-2024	EGM	6	5	1	0
KROMEK GROUP PLC	04-03-2024	EGM	2	2	0	0
ABERFORTH SMALLER COMPANIES TRUST PLC	05-03-2024	AGM	12	10	0	2
QUALCOMM INCORPORATED	05-03-2024	AGM	17	9	2	6
NOVARTIS AG	05-03-2024	AGM	27	20	3	4
ORSTED AS	05-03-2024	AGM	16	9	4	1

Company	Meeting Date	Type	Resolutions	For	Abstain	Oppose
ALFA SAB DE CV	06-03-2024	EGM	3	2	0	1
ALFA SAB DE CV	06-03-2024	AGM	5	3	0	2
WARTSILA OYJ ABP	07-03-2024	AGM	21	9	3	2
BANK MANDIRI (PERSERO) TBK	07-03-2024	AGM	8	7	1	0
XPS PENSIONS GROUP PLC	07-03-2024	EGM	1	0	0	1
APPLIED MATERIALS INC	07-03-2024	AGM	14	7	1	6
ALLERGY THERAPEUTICS PLC	08-03-2024	AGM	14	8	0	6
ABRDN CHINA INVESTMENT COMPANY LIMITED	11-03-2024	EGM	2	2	0	0
CARLSBERG AS	11-03-2024	AGM	18	7	7	3
BANCO BRADESCO	11-03-2024	AGM	33	9	11	13
BANCO BRADESCO	11-03-2024	EGM	24	17	0	7
WINCANTON PLC	13-03-2024	EGM	1	1	0	0
STARBUCKS CORPORATION	13-03-2024	AGM	19	9	1	9
ABRDN CHINA INVESTMENT COMPANY LIMITED	13-03-2024	EGM	1	1	0	0
WINCANTON PLC	13-03-2024	COURT	1	1	0	0
SAFESTORE HOLDINGS PLC	13-03-2024	AGM	20	13	2	5
DSV A/S	14-03-2024	AGM	20	12	4	1
PANDORA AS	14-03-2024	AGM	22	11	4	5
BANCO BILBAO VIZCAYA ARGENTARIA SA (BBVA)	14-03-2024	AGM	15	15	0	0
BANK OF GEORGIA GROUP PLC	14-03-2024	EGM	1	1	0	0
MAPFRE SA	15-03-2024	AGM	14	8	3	3
KIA MOTORS CORP	15-03-2024	AGM	6	2	1	3
SAMSUNG C&T CORPORATION	15-03-2024	AGM	12	8	0	3
SAMSUNG BIOLOGICS CO., LTD.	15-03-2024	AGM	4	2	2	0
THK CO LTD	16-03-2024	AGM	15	13	0	2
BLACKROCK THROGMORTON TRUST PLC	19-03-2024	AGM	15	12	0	3
SKANDINAVISKA ENSKILDA BANKEN (SEB)	19-03-2024	AGM	60	41	2	12
HYUNDAI MOBIS	20-03-2024	AGM	8	6	2	0



Company	Meeting Date	Type	Resolutions	For	Abstain	Oppose
SAMSUNG SDI CO LTD	20-03-2024	AGM	4	3	0	1
SAMSUNG ELECTRONICS CO LTD	20-03-2024	AGM	6	6	0	0
SAMSUNG FIRE & MARINE INS	20-03-2024	AGM	6	2	2	2
NKT A/S	20-03-2024	AGM	17	8	5	1
SVENSKA HANDELSBANKEN	20-03-2024	AGM	33	19	4	7
GJENSIDIGE FORSIKRING	20-03-2024	AGM	21	12	1	6
ENAGAS SA	20-03-2024	AGM	13	10	1	2
STORA ENSO OYJ	20-03-2024	AGM	19	7	2	2
CHEIL WORLDWIDE INC	21-03-2024	AGM	7	5	0	2
DANSKE BANK AS	21-03-2024	AGM	23	12	6	4
SOCIEDAD QUIMICA Y MINERA DE CHILE - SQM	21-03-2024	EGM	3	2	0	1
LG UPLUS CORP	21-03-2024	AGM	5	0	3	2
VALMET CORP	21-03-2024	AGM	19	7	0	5
ABB LTD	21-03-2024	AGM	22	17	5	0
BB BIOTECH AG	21-03-2024	AGM	14	12	0	2
SYDBANK AS	21-03-2024	AGM	27	6	18	1
NOVO NORDISK A/S	21-03-2024	AGM	22	8	6	6
NORDEA BANK ABP	21-03-2024	AGM	34	21	3	3
ORION CORP (SOUTH KOREA)	21-03-2024	AGM	7	0	1	6
BANCO SANTANDER SA	21-03-2024	AGM	23	19	1	3
CAIXABANK SA	21-03-2024	AGM	17	11	1	3
TRYG AS	21-03-2024	AGM	20	12	4	2
CORPORACION INMOBILIARIA VESTA SAB DE CV	21-03-2024	AGM	13	9	0	4
CORPORACION INMOBILIARIA VESTA SAB DE CV	21-03-2024	EGM	4	3	0	1
ESSITY AB	21-03-2024	AGM	45	33	3	6
KAO CORPORATION	22-03-2024	AGM	12	10	0	2
KB FINANCIAL GROUP	22-03-2024	AGM	10	5	5	0
HANA FINANCIAL HOLDINGS	22-03-2024	AGM	13	11	1	1

Company	Meeting Date	Type	Resolutions	For	Abstain	Oppose
SCA (SVENSKA CELLULOSA) AB	22-03-2024	AGM	43	26	3	6
CEMEX SAB DE CV	22-03-2024	AGM	37	20	0	17
WOORI FINANCIAL GROUP INC	22-03-2024	AGM	9	8	0	1
FOMENTO ECONOMICO MEXICANO	22-03-2024	AGM	26	10	0	16
FORTUM OYJ	25-03-2024	AGM	24	10	1	6
LG CHEMICAL LTD	25-03-2024	AGM	5	4	0	1
LG ENERGY SOLUTION	25-03-2024	AGM	10	10	0	0
ADVANCED INFO SERVICE PCL	25-03-2024	AGM	11	7	0	4
SHINHAN FINANCIAL GROUP LTD	26-03-2024	AGM	12	12	0	0
SKF AB	26-03-2024	AGM	40	30	1	4
NAVER CORP	26-03-2024	AGM	8	7	0	1
ASAHI GROUP HOLDINGS LTD	26-03-2024	AGM	15	15	0	0
BRIDGESTONE CORP	26-03-2024	AGM	13	10	0	3
CELLTRION INC	26-03-2024	AGM	21	12	2	7
SHISEIDO CO LTD	26-03-2024	AGM	13	12	0	1
SWEDBANK AB	26-03-2024	AGM	53	37	3	7
SIKA AG	26-03-2024	AGM	22	13	3	6
SIAM CEMENT PCL	27-03-2024	AGM	10	5	1	4
NESTE	27-03-2024	AGM	23	9	2	5
VOLVO AB	27-03-2024	AGM	53	41	1	6
SWISSCOM	27-03-2024	AGM	23	10	5	8
MINAS BUENAVENTURA SA	27-03-2024	AGM	7	5	0	2
CREDICORP LTD	27-03-2024	AGM	1	1	0	0
SAMHALLSBYGGNADSBOLAGET I NORDEN AB	27-03-2024	EGM	8	5	0	1
SK HYNIX	27-03-2024	AGM	8	5	1	2
BANCO DE CHILE	28-03-2024	AGM	10	7	0	3
MARCOPOLO SA	28-03-2024	AGM	1	0	0	1
LS CORP	28-03-2024	AGM	5	4	0	1

Company	Meeting Date	Type	Resolutions	For	Abstain	Oppose
TIM SA	28-03-2024	AGM	10	4	1	5
KT CORP	28-03-2024	AGM	5	4	0	1
HANKOOK TIRE CO LTD	28-03-2024	AGM	15	11	1	3
KOREA GAS CORP	28-03-2024	AGM	2	0	1	1
TIM SA	28-03-2024	EGM	6	6	0	0
SK INNOVATION CO LTD	28-03-2024	AGM	10	10	0	0
CANON INC	28-03-2024	AGM	14	13	0	1
DBS GROUP HOLDINGS LTD	28-03-2024	AGM	11	9	0	2
BRF - BRASIL FOODS SA	28-03-2024	EGM	10	4	0	6
KT&G CORP	28-03-2024	AGM	12	11	0	1
MARCOPOLO SA	28-03-2024	EGM	1	1	0	0
PT VALE INDONESIA TBK	28-03-2024	EGM	1	0	0	1

## 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 - 17-01-2024

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

Non-executive Chair of the Board. Not considered independent as Mr. Horton has held executive positions at the Company and its predecessors since 1972 until 2023. Additionally, Mr Horton also holds a significant amount of the issued share capital of the Company. 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.

Vote Cast: *Oppose*

Results: For: 87.4, Abstain: 0.0, Oppose/Withhold: 12.6,

#### 1f.. *Elect Benjamin S. Carson, Sr. - Non-Executive Director*

Independent Non-Executive Director.

Vote Cast: *For*

Results: For: 85.9, Abstain: 0.0, Oppose/Withhold: 14.0,

#### 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: AEB. Based on this rating, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 88.9, Abstain: 0.1, Oppose/Withhold: 11.1,

### COSTCO WHOLESALE CORPORATION AGM - 18-01-2024

#### 4. *Shareholder Resolution: Fiduciary Carbon-Emission Relevance Report*

**Proponent's argument:** The National Centre for Public Policy Research "request Costco's Board of Directors provide an audited report evaluating the material factors relevant to decisions about whether a 2050 net-zero carbon goal, or other similar decarbonization targets is appropriate, including factors that mitigate against the feasibility of such goals. These factors might reasonably include technological feasibility... the economic consequences of adoption, the possibility that the climate models that underlie such goals are incorrect, the possibility that failure to adopt such goals in other countries will render adoption by Costco meaningless, the possibility that U.S. governments will not mandate such decarbonization. The report should be made public, produced at reasonable cost, and omit proprietary information. Claims about the need for decarbonization at all, but especially by some activist-generated date certain, are based on a long series of assumptions that are either counterfactual or insufficiently examined. For decades, for instance, claims have been made that action must be taken before some date, or it will be too late. If those claims were right, it's too late for decarbonization to matter now, so we should be building up economic resources to deal with climate change... Recent forensic research has demonstrated that "[r]eplacing an energy system overwhelmingly based on hydrocarbons with one centered predominantly on wind and solar would make the world unambiguously poorer... Making the world's poor poorer to advance the policy preferences of some misinformed wealthy climate activists is the height of social injustice as well as being a terrible business strategy. Costco must examine its premises honestly and fully."

**Company's response:** The board recommended a vote against this proposal. "The Company has developed and implemented a comprehensive and measured approach to reducing the carbon emissions of the Company and its suppliers. This approach, reflected in the Climate Action Plan, balances the responsibility to mitigate the harms from global warming with protecting the interests of the Company's direct stakeholders. The Plan, which has been the subject of extensive discussions with the Company's largest shareholders, does not adhere to the dictates of any organization or interest group; rather, it is specifically tailored to accomplishments that the Company believes are substantial yet achievable... There are many challenges to be faced in achieving these goals, most notably that significant progress on reducing Scope 3 emissions depends upon advances by our suppliers, who number in the thousands. The presence of these and other hurdles does not, however, dictate that no effort be made at all... The commitments in the Plan are substantial; they do not, however, include a requirement for "net-zero emissions by 2050 or sooner." The Board and the Company are fully cognizant, however, that reducing emissions will not occur without costs; continuing implementation of the Plan will occur with monitoring and evaluation of those costs, with the objective of achieving a just transition. The Board and the Company also have noted that the Plan, and others like it, will not now prevent the impacts of global warming, which every day are more evident."

**PIRC analysis:** Increased disclosure would normally be considered to be in shareholders' interests. The proponent seeks a report exclusively focused on short-term costs and benefits for the company, excluding the long-term benefits (also economic) of a lower carbon emission strategy. It is considered that shareholders should instead be focused on long-term value creation. Ignoring the potential long-term costs of ignoring climate change is not considered to be in shareholders best interests. However, the requested disclosure on the congruency of corporate expenditure with net zero ambitions appears to be a spoiler resolution to prevent other shareholders from filing resolutions regarding the company's alignment with net zero, or emission reduction targets, and focuses on executive behaviour with the clear intent to ensure that views against what the filers describe as "risky and costly political-schedule decarbonization" are represented within the company's political activities, as opposed to promoting accountability around the potential benefits of decarbonization and requesting transparency over the financial impact from non-traditionally financial issues, particularly the climate emergency, or avoid any suspicion and any damage that may cause to the company's reputation, or that the company may adopt a conduct different from what it has committed to. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 1.9, Abstain: 1.4, Oppose/Withhold: 96.7,

## VISA INC AGM - 23-01-2024

### *6. Shareholder Resolution: Adopt a Policy to Seek Shareholder Ratification of Certain Termination Pay Arrangements*

**Proponent's argument** John Chevedden requests that the Board adopt a policy to seek shareholder approval of the top 10 senior managers' new or renewed pay package that provides for termination payments with an estimated value exceeding 2.99 times the sum of the executive's base salary plus target short-term bonus. The Board shall retain the option to seek shareholder approval at an annual meeting after material terms are agreed upon. "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. This proposal is relevant even if there are current golden parachute limits. A limit on golden parachutes is like a speed limit. A speed limit by itself does not guarantee that the speed limit will never be exceeded. Like this proposal the rules associated with a speed limit provide consequences if the limit is exceeded. With this proposal the consequences are a non-binding shareholder vote is required for unreasonably high golden parachutes. This proposal places no limit on long-term equity pay or any other type pay. This proposal thus has no impact on the ability to attract executive talent or discourage the use of long-term equity pay because it places no limit on golden parachutes. It simply requires that extra large golden parachutes be subject to a non binding shareholder vote at a shareholder meeting already scheduled for other matters. This proposal is relevant because the annual say on executive pay vote does not have a separate section for approving or rejecting golden parachutes. The topic of this proposal received between 51% and 65% support at: FedEx, Spirit AeroSystems, Alaska Air [and] Fiserv."

**Company's response** The board recommended a vote against this proposal. "[the Company's] tailored policy is the appropriate approach in aligning...executive compensation program with stockholder value creation, rather than the overly broad policy requested by the proposal, which would be impractical to implement and

limit our ability to attract and retain qualified executive talent... Current policy provides a balanced and reasonable limit on executive severance benefits, and [the] annual "Say-on-Pay" vote provides another mechanism for stockholders to provide feedback regarding [the] executive compensation program... Implementing the proposal would require certain aspects of employment offers to be contingent on stockholder approval. Such a requirement would put [the Company] at a competitive disadvantage in the labor market because the types of termination payments and benefits implicated by the proposal may be raised by candidates when negotiating employment offers for senior leadership positions... over the last five annual meetings of stockholders [there has been] an average of approximately 92% support for [the] advisory vote to approve executive compensation. These vote results demonstrate continued investor support for [the] executive compensation program design, including ... termination arrangements. Similarly, in 2021 [the Company] received over 95% support for the amended and restated Visa Inc. 2007 Equity Incentive Compensation Plan, which authorizes equity awards to be accelerated upon various types of termination. As a result, the Board believes that the policy requested by this stockholder proposal is not necessary and not in the best interest of our stockholders."

**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: 7.1, Abstain: 0.4, Oppose/Withhold: 92.5,

## AIR PRODUCTS AND CHEMICALS INC. AGM - 25-01-2024

### 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: 72.5, Abstain: 0.5, Oppose/Withhold: 27.0,

## AVON PROTECTION PLC AGM - 26-01-2024

### 14. *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. At the previous AGM the same resolution received significant opposition, and the Company has disclosed the measures taken to address any issues with shareholders. Owing to this, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 86.5, Abstain: 0.2, Oppose/Withhold: 13.3,

## ACCENTURE PLC AGM - 31-01-2024

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

Non-Executive Director. Considered independent. Although there are concerns over potential aggregate time commitments, this director has attended all Board and

committee meetings during the year under review. The director's previous election received significant opposition, and the company has not disclosed the steps taken to address shareholder concerns. Owing to this, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 78.1, Abstain: 0.3, Oppose/Withhold: 21.7,

## THE SAGE GROUP PLC AGM - 01-02-2024

### 18. *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: 89.1, Abstain: 0.1, Oppose/Withhold: 10.9,

## EMERSON ELECTRIC CO. AGM - 06-02-2024

### 1d. *Elect James S. Turley - Chair (Non Executive)*

Non-independent Non-Executive Chair. Not independent owing to a tenure exceeding 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 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 such, given the concerns over the Company's sustainability policies and practice, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 83.4, Abstain: 0.2, Oppose/Withhold: 16.4,

### 6. *Shareholder Resolution: Simple Majority Voting*

**Proponent's argument:** Shareholders request that the board take each step necessary so that each voting requirement in the charter and bylaws (that is explicit or implicit due to default to state law) that calls for a greater than simple majority vote be replaced by a requirement for a majority of the votes cast for and against applicable proposals, or a simple majority in compliance with applicable laws. If necessary this means the closest standard to a majority of the votes cast for and against such proposals consistent with applicable laws.

Shareholders are willing to pay a premium for shares of companies that have excellent corporate governance. Supermajority voting requirements have been found to be one of 6 entrenching mechanisms that are negatively related to company performance according to "What Matters in Corporate Governance" by Lucien Bebchuk, Alma Cohen and Allen Ferrell of the Harvard Law School. Supermajority requirements are used to block initiatives supported by most shareowners but opposed by a status quo management.

This proposal topic won from 74% to 88% support at Weyerhaeuser, Alcoa, Waste Management, Goldman Sachs, FirstEnergy, McGraw-Hill and Macy's. These votes would have been higher than 74% to 88% if more shareholders had access to independent proxy voting advice. This proposal topic also received overwhelming 98%-support at the 2023 annual meetings of American Airlines (AAL) and The Carlyle Group (CG).

With simple majority vote it will be less difficult to adopt improvements to the governance of Emerson Electric. Simple majority vote is a win for the Board, management and shareholders.

**Company's response:** The Board has considered the above proposal carefully and believes that it is not in the best interests of the shareholders. Although the Board agrees in principle that it is generally better for most voting provisions in the governing documents to require majority rather than supermajority approval, this proposal

is overbroad, would harm long-term shareholder interests, is potentially confusing in several respects, and ultimately is an unnecessary distraction from the Company's current efforts to continue its record of strong governance practices. Indeed, as noted in Proxy Item No. 3, the Company are proposing to amend the Restated Articles of Incorporation to eliminate the classified board structure and provide for the annual election of directors. While the Board has approved, and recommends that the shareholders focus on achieving the requisite vote to approve the amendments contemplated by Proxy Item No. 3, the Board believes that this proposal is not in the best interests of Emerson's shareholders and recommends that shareholders vote.

**PIRC analysis:** It is considered to be best practice that shareholders should have the right to approve most matters submitted for their consideration by a simple majority of the shares voted. There are concerns that the supermajority provisions which relate to the company's corporate governance documents could frustrate attempts by the majority of shareholders to make the company more accountable or strengthen the independence of the Board. Support is therefore recommended.

Vote Cast: *For*

Results: For: 71.1, Abstain: 0.5, Oppose/Withhold: 28.4,

## FUTURE PLC AGM - 07-02-2024

### 3. *Approve the Remuneration Report*

It is proposed to approve the remuneration report. No variable remuneration (either short- or long-term) was paid during the year. However, at the 2023 Annual General Meeting the resolution for the remuneration report received significant opposition of 15.82% 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: 80.1, Abstain: 0.6, Oppose/Withhold: 19.3,

### 7. *Re-elect Mark Brooker - Senior Independent Director*

Senior Independent Director. Considered independent. It is noted that in the 2023 Annual General Meeting the re-election of Mr. Brooker received significant opposition of 17.53% of the votes. The Company did not disclose information as to how address the issue with its shareholders. Therefore, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 82.7, Abstain: 0.5, Oppose/Withhold: 16.9,

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

Independent Non-Executive Director. It is noted that in the 2023 Annual General Meeting the re-election of Ms. Angela Seymour-Jackson received significant opposition of 18.89% of the votes. The Company did not disclose information as to how address the issue with its shareholders. Therefore, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 88.2, Abstain: 0.5, Oppose/Withhold: 11.3,

### 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 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: 88.7, Abstain: 0.0, Oppose/Withhold: 11.3,



**COMPASS GROUP PLC AGM - 08-02-2024****13. Re-elect Sundar Raman - Non-Executive Director**

Independent Non-Executive Director.

Vote Cast: *For*

Results: For: 89.8, Abstain: 0.0, Oppose/Withhold: 10.1,

**SIEMENS AG AGM - 08-02-2024****6. 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*

Results: For: 86.4, Abstain: 0.0, Oppose/Withhold: 13.6,

**7. 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 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: 86.5, Abstain: 0.0, Oppose/Withhold: 13.5,

**EASYJET PLC AGM - 08-02-2024****18. 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: 88.4, Abstain: 0.1, Oppose/Withhold: 11.5,

**TRITAX EUROBOX PLC AGM - 14-02-2024****3. Re-elect Robert Orr - Chair (Non Executive)**

Independent Non-Executive Chair. It is noted that on the 2023 Annual General Meeting the re-election of Mr. Orr received significant opposition of 15.31% of the votes. The Company did not disclose information as to how address the issue with its shareholders, therefore abstention is recommended.

Vote Cast: *Abstain*

Results: For: 85.1, Abstain: 3.3, Oppose/Withhold: 11.6,

#### *5. Re-elect Keith Mansfield - Non-Executive Director*

Independent Non-Executive Director. It is noted that on the 2023 Annual General Meeting the re-election of Mr. Mansfield received significant opposition of 10.28% of the votes. The Company did not disclose information as to how address the issue with its shareholders, therefore abstention is recommended.

Vote Cast: *Abstain*

Results: For: 86.6, Abstain: 3.3, Oppose/Withhold: 10.1,

#### *7. Re-elect Sarah Whitney - Senior Independent Director*

Senior Independent Director. Considered independent. Although there are concerns over potential aggregate time commitments, this director has attended all Board and committee meetings during the year under review. It is noted that on the 2023 Annual General Meeting the re-election of Ms. Whitney received significant opposition of 10.28% of the votes. The Company did not disclose information as to how address the issue with its shareholders, therefore abstention is recommended.

Vote Cast: *Abstain*

Results: For: 84.0, Abstain: 3.3, Oppose/Withhold: 12.7,

### **INFINEON TECHNOLOGIES AG AGM - 23-02-2024**

#### *6.1. Elect Ute Wolf - Non-Executive Director*

Independent Non-Executive Director.

Vote Cast: *For*

Results: For: 89.3, Abstain: 0.0, Oppose/Withhold: 10.7,

### **CHEMRING GROUP PLC AGM - 23-02-2024**

#### *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. In addition, it is noted that, on the 2023 Annual General Meeting the re-election of Mr. Carl-Peter Forster received significant opposition of 11.92% of the votes and the Company did not disclose information as to how address the issue with its shareholders. Furthermore, 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. Overall, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 87.7, Abstain: 0.1, Oppose/Withhold: 12.2,

#### *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 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: 89.7, Abstain: 0.0, Oppose/Withhold: 10.3,

## SIEMENS ENERGY AG AGM - 26-02-2024

### 7.1. *Elect Veronika Grimm - Non-Executive Director*

Independent Non-Executive Director.

Vote Cast: *For*

Results: For: 76.4, Abstain: 0.0, Oppose/Withhold: 23.6,

## APPLE INC AGM - 28-02-2024

### 4. *Shareholder Resolution: EEO Policy Risk Report*

**Proponent's argument:** National Center for Public Policy Research proposes that the Company "issue a public report detailing the potential risks associated with omitting "viewpoint" and "ideology" from its written equal employment opportunity (EEO) policy. The report should be available within a reasonable timeframe, prepared at a reasonable expense and omit proprietary information... Apple's lack of a company-wide best practice EEO policy sends mixed signals to company employees and prospective employees and calls into question the extent to which individuals are protected due to inconsistent state policies and the absence of federal protection for partisan activities. Approximately half of Americans live and work in a jurisdiction with no legal protections if their employer takes action against them for their political activities... There is ample evidence that individuals with conservative viewpoints may face discrimination at Apple... Presently shareholders are unable to evaluate how Apple prevents discrimination towards employees based on their ideology or viewpoint, mitigates employee concerns of potential discrimination, and ensures a respectful and supportive work atmosphere that bolsters employee performance. Without an inclusive EEO policy, Apple may be sacrificing competitive advantages relative to peers while simultaneously increasing company and shareholder exposure to reputational and financial risks. We recommend that the report evaluate risks including, but not limited to, negative effects on employee hiring and retention, as well as litigation risks from conflicting state and company anti-discrimination policies."

**Company's response:** The board recommended a vote against this proposal. "We are committed to nurturing a culture where every great idea can be heard and where everyone belongs, including those with differing viewpoints and ideologies. Inclusion and diversity is one of Apple's values, which means we want every employee to feel a sense of belonging in the workplace, where their perspectives are respected, sought out, and considered fairly. We believe that when we create a workplace where everyone feels comfortable sharing their diverse experiences and perspectives, we remove the barriers that prevent people from being fully engaged and, in turn, facilitate creativity and productivity... Our policies already address the proposal's concern and therefore a report would not provide additional material information. Because our commitment to a respectful and inclusive workplace is broadly scoped and embedded across our policies, practices, and trainings, we believe the risk to Apple of omitting viewpoint or ideology specifically from our Equal Employment Opportunity Policy (EEO Policy) is low, and a report on potential risks would not provide material additional information to shareholders... Our Board maintains active oversight. Our People and Compensation Committee assists the Board in its oversight of management's strategies, policies, and practices relating to Apple's people and teams, including with respect to inclusion and diversity, culture and employee engagement, talent recruitment, development, and retention, and our Audit Committee assists the Board in its oversight of matters relating to business conduct and legal and regulatory compliance. Further, our Nominating Committee oversees Apple's shareholder engagement strategy and response to shareholder proposals and oversaw Apple's recently completed Civil Rights Assessment published in July 2023."

**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: 1.3, Abstain: 1.1, Oppose/Withhold: 97.6,

#### 5. Shareholder Resolution: Report on Ensuring Respect for Civil Liberties

**Proponent's argument:** the American Family Association represented by Bowyer Research "request the Board of Directors conduct an investigation and issue a report within the next 12 months, at reasonable cost and excluding proprietary information and disclosure of anything that would constitute an admission of pending litigation, evaluating the standards and procedures Apple Inc. uses to curate app content on its various platforms, and procedures by which the Company manages disputes between government interests and user rights. Given their facilitatory role in securing access to online services, the actions of major tech companies can significantly affect the businesses using their platforms and ignite concerns over limiting access to that content. Given their role in the online age, tech companies have a responsibility to use their influence to protect such inherent human rights as "freedom of thought, conscience, and religion," particularly for underprivileged and marginalized populations... We are therefore greatly concerned at recent reports of Apple arbitrarily limiting content access within its online services... This censorship endangers Apple's trust with its users and jeopardizes Apple's stated commitments to human rights and providing quality products. Shareholders must know that Apple will meaningfully commit to protecting reliable app access as a crucial aspect of both good social policy and respecting its users' civil liberties. Apple has defended the connection between human rights and technological access in its Commitment to Human Rights, further asserting its primary emphasis on maintaining users' "access to reliable information and helpful technology." Yet, recent actions call the veracity of such commitments into question.

**Company's response:** The board recommended a vote against this proposal. "Since it launched in 2008, the App Store has proven to be a safe and trusted place to discover and download apps. We're committed to creating a great experience for customers and developers and review every app for compliance with our publicly posted App Store Review Guidelines to uphold the highest privacy, security, and content standards. And we report extensively about how our App Store operates. We are committed to respecting human rights and freedom of expression. Across our products and services, we strive to reflect our respect for human rights, including privacy, freedom of expression, and non-discrimination, which is grounded in our Human Rights Policy... To fulfill our goals for the App Store, trained experts from our App Review team review every app and app update for compliance with the App Review Guidelines, a process outlined in our Digital Services Act Transparency Report... App Review specialists also receive language- and region-specific training that covers cultural and sensitivity issues as they relate to enforcing the App Store Review Guidelines. Difficult decisions are escalated to Apple's Executive Review Board, composed of senior leaders who have ultimate decision-making responsibility regarding the App Store, including app takedowns, further engagement, or an exploration of viable alternatives, as appropriate. As part of the review process, Apple works hard to prevent illegal content from ending up on a country's storefront. Apple seeks to abide by the laws in the jurisdictions in which we operate, as all companies operating in such jurisdictions must do. Whenever possible, apps that are removed from the App Store will only be removed in countries and territories specific to the issue, and will remain available in locations that aren't impacted. If a developer believes their app should be reinstated on the App Store, they can appeal the removal.

**PIRC analysis:**The proponent seeks a full assessment of its potential misuse, including the results on the code that allowed filtering out false and divisive information. The company's provision of products linked to potential violations may expose it to legal, financial, and reputational risks. Concerns over new tools based on big data have linked these products to racial bias and risks to privacy. Since the proposal reasonably requests the company to consult with technology and civil liberties experts and civil and human rights advocates to assess the level of risk of misrepresenting facts and allowing or even inciting misinformation by its platform being used by any customer, and the extent to which said product can be used with purposes contrary to human or civil rights. While the company's response indicates that some work has been done in this area, more could be done. As such the request for the assessment appears reasonable. A vote for the proposal is recommended.

Vote Cast: *For*

Results: For: 1.8, Abstain: 1.3, Oppose/Withhold: 96.9,

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

**Proponent's argument:** Anmol Mehra, represented by Arjuna Capital, " request 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... Pay inequities persist across race and gender and pose substantial risk to companies and society at large. Black workers' hourly median earnings represent 81 percent of white wages. The median income for women working full time is 83 percent that of men. Intersecting race, Black women earn 64 percent, Native women 51 percent, and Latina women 54 percent. At the current rate, women will not reach pay equity until 2059, Black women until 2130, and Latina women until 2224... Actively managing pay equity is associated with improved representation, and diversity is linked to superior stock performance and return on equity. Minorities represent 58 percent of Apple's workforce and 45 percent of leadership. Women represent 35 percent of Apple's workforce and 32 percent of leadership. Best practice pay equity reporting consists of two parts: unadjusted median pay gaps, assessing equal opportunity to high paying roles, 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. "We are committed to promoting pay equity and diverse representation through our comprehensive approach. Consistent with our commitment to be a leader in pay equity, every year we conduct a robust pay equity analysis encompassing the base salary, bonuses, and stock awards of 100% of our employees that utilizes sophisticated data inputs to assess appropriate compensation bands for each employee, and adjustments are made wherever employees fall below the appropriate range... Since 2017, we have achieved gender pay equity globally, as well as pay equity by race and ethnicity in the United States. Since 2022, we have also achieved pay equity at the intersections of gender and race and ethnicity in our U.S. workforce. In July 2023, we published of a third-party Civil Rights Assessment report prepared by former U.S. Attorney General Eric Holder and his team at Covington & Burling LLP, which describes the significant resources Apple has invested to rigorously track and manage pay equity across Apple... Consistent with our goal of promoting equal employment opportunity, we also continue to focus on increasing diverse representation at every level of the Company to help Apple identify the best talent in the world, and become an even better reflection of the world we live in. We do that by taking a comprehensive approach, from expanding our diversity outreach efforts, including our ties with Historically Black Colleges and Universities (HBCUs), Hispanic-Serving Institutions (HSIs)... From day one, Apple employees have access to our career development programs, ongoing inclusion and diversity education, and support throughout their career journeys...Our Board maintains active oversight. Inclusion and diversity is one of our Apple values and our Board and its committees maintain active oversight of this area. newline]**PIRC analysis:** Disclosure of goals and policies related to the gender pay gap would also be beneficial. As such, the requested report over the risks associated with a gender pay gap on the company's human capital and business is considered in the best interest of shareholders and would underpin the company's efforts in fostering diversity and thereby enhance its reputation. 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 on such issues, 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: 30.8, Abstain: 0.7, Oppose/Withhold: 68.4,

#### *7. Shareholder Resolution: Report on Use of AI*

**Proponent's argument:** AFL-CIO Equity Index Funds "request that Apple Inc. prepare a transparency report on the company's use of Artificial Intelligence ("AI") in its business operations and disclose any ethical guidelines that the company has adopted regarding the company's use of AI technology. This report shall be made publicly available to the company's shareholders on the company's website, be prepared at a reasonable cost, and omit any information that is proprietary, privileged, or violative of contractual obligations. If adopted, this proposal asks our company to issue a transparency report on the company's use of AI technology and to disclose any ethical guidelines that the company has adopted regarding AI technology. We believe that adopting an ethical framework for the use of AI technology will strengthen our company's position as a responsible and sustainable leader in its industry. By addressing the ethical considerations of AI in a transparent manner, we can build trust among our company's stakeholders and contribute positively to society. The adoption of AI technology into business raises a number of significant social policy

issues. For example, the use of AI in human resources decisions may raise concerns about discrimination or bias against employees...The White House Office of Science and Technology Policy has developed a set of ethical guidelines to help guide the design, use, and deployment of AI. These five principles for an AI Bill of Rights are 1) safe and effective systems, 2) algorithmic discrimination protections, 3) data privacy, 4) notice and explanation, and 5) human alternatives, consideration, and fallback. (White House Office of Science and Technology Policy, "Blueprint for an AI Bill of Rights: Making Automated Systems Work for the American People," October 2022.)

**Company's response:** The board recommended a vote against this proposal. "Apple has a robust approach to addressing ethical considerations across our business operations and that addresses the issues raised in the proposal. We believe it's important to be deliberate and thoughtful in the development and deployment of artificial intelligence, and that companies think through the consequences of new technology before releasing it - something we've always been deeply committed to at Apple. Social issues raised in the proposal, like discrimination, bias, and privacy may be implicated by AI technologies, but are not unique to the application of AI. Accordingly, our existing guidelines, policies, and procedures already address the social issues raised... Apple's world-class machine learning and AI research team, led by our Senior Vice President of Machine Learning and AI Strategy, collaborates with teams across Apple to drive breakthrough advancements in machine learning, and we have a dedicated Apple Machine Learning Research website where we provide meaningful visibility into our machine learning research and aim to make our products and services incorporating machine learning easy to understand... Our management Privacy Steering Committee sets privacy standards for teams across Apple and acts as an escalation point for addressing privacy compliance issues... The scope of the requested report is overly broad and could encompass disclosure of strategic plans and initiatives harmful to our competitive position. This proposal addresses our use of artificial intelligence across our "business operations." The proposal does not focus on any specific novel use of AI at Apple and, in fact, references well-established applications of software such as automation of systems."

**PIRC Analysis :** Ethical management of Artificial Intelligence (AI) is increasingly seen as a material issue in society. Several studies link the use of AI for policing purposes to negatively impact racial equity. Issues resulting from ineffective management of AI-related risks can lead to reputational, compliance and value creation risks, but issues tied to technological development are not solely or even mainly related to risk, but also to opportunity. As such, it is supported that the company should take actions to ready itself for technological change. the disclosure proposed here by would strengthen the application of internal effective controls to ensure that Artificial Intelligence systems do not promote, incite or glorify hatred, violence, racial, sexual or religious intolerance and include communities in avoiding the company reputational damage, regulatory risk and damage to relationships with key stakeholders such as customers and employees. Support is recommended.

Vote Cast: *For*

Results: For: 36.5, Abstain: 2.7, Oppose/Withhold: 60.8,

#### 8. *Shareholder Resolution: Congruency Report on Privacy and Human Rights*

**Proponent's argument:** National Legal and Policy Center "request the Board of Directors issue a report by March 31,2025, at reasonable cost and omitting proprietary or confidential information, analyzing the congruency of the Company's privacy and human rights policy positions with its actions, especially in such places as war zones and under oppressive regimes, as they impact how the Company maintains its reputation, viability and profitability... Inconsistency and incongruity persist between articulated and published policies and actual practices and operations, and pose substantial risk to companies, their customers, and society at large... For example in China, the Company severely restricted use of its AirDrop wireless filesharing feature on users' iPhones during protests against Chairman Xi Jinping's "zero COVID" policies in late 2022. Similarly, in 2017 Apple removed the New York Times's apps from the App Store in China in 2017, and removed apps including HKmap.live and Quartz from its offerings, during the protests in Hong Kong in 2019. Yet upon the invasion into Ukraine, the Company halted the sale of all its products in Russia and stopped exports into the country... Considering these examples, it appears the Company's principles to "empower and connect people" as "a force for good" – while remaining "engaged" even where it disagrees with a government and its laws, by still making its products "available" to users – has its limits.

**Company's response:** The board recommended a vote against this proposal. "Apple has long been committed to respecting human rights, and we view that commitment as a core part of our values and our mission to enrich people's lives. We also believe privacy is a fundamental human right and innovate to build industry-leading privacy and security features into our products...In July 2023, we published our Civil Rights Assessment report prepared by former U.S. Attorney General Eric Holder and his team at Covington & Burling LLP. The report reviews Apple's extensive efforts to respect civil rights and to promote diversity, equity, and inclusion and live by its core values, including accessibility, inclusion and diversity, and privacy... We are transparent about our approach to complex situations

and commitment to engagement. We're required to comply with local laws, and at times there are complex considerations and issues where we may disagree with governments and other stakeholders on the most appropriate path or outcome... Our robust policies and disclosures are publicly available and the requested report would not provide additional material information. We publish extensive reports on how our efforts align with our human rights and privacy policies, so the requested report would not provide shareholders with any additional material information... Our Board maintains active oversight of these areas. Apple's Board is responsible for overseeing and periodically reviewing Apple's Human Rights Policy, while Apple's General Counsel is responsible for its ongoing implementation and reports to the Board and its committees on progress and any significant issues identified in the diligence process."

**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: 1.6, Abstain: 1.2, Oppose/Withhold: 97.2,

## DEERE & COMPANY AGM - 28-02-2024

### 4. Shareholder Resolution: Customer and Company Sustainability Congruency Report

**Proponent's argument:** National Legal and Policy Center propose that Deere & Company "publish a report, at reasonable expense, analyzing the congruency of the Company's policies in support of greenhouse gas reduction and renewable energy use, with those priorities' effects on the ongoing viability of the industries that constitute the vast majority of the Company's revenue base – and therefore Deere's own future... Other than energy extraction and transportation, perhaps no other industries have been targeted by alarmist pressure groups as these serviced by Deere have. Yet rather than preserve and protect them from such assaults – which produce nothing beneficial environmentally or economically – instead the Company embraces their hostile agenda both in rhetoric and in action. In its operations, Deere promotes its compliance with this agenda with what it has branded as "Leap Ambitions..." The Company's perception of the "science" and its approach to "solutions" are both deeply flawed, and severely damage the farm, forestry, and construction/mining sectors. The expansion of costly wind and solar energy require massive swaths of land, much of which is converted from agricultural use or necessitates clear-cutting of forests. Several studies have shown that wind farms raise ground level temperatures, which could become a significant problem as more are built (as is projected). Deere's use of the term "equivalent" denotes participation in offsets or credits schemes, which are widely viewed as scams. And the 1.5C goal is a target established by political operatives and sycophantic media, not scientific expertise. There is little doubt that politically-driven decarbonization plans cause significant hardships to Deere's core client industries."

**Company's response:** The board recommended a vote against this proposal. "We announced our Leap Ambitions in 2022, which are focused goals that measure the results of this operating model and are designed to boost economic value and sustainability for our customers. We believe we have made significant progress in helping our customers achieve better outcomes with fewer resources... Even the greenhouse gas emission reduction target in the Leap Ambitions could benefit the industries in which we operate and our customers beyond simply decreasing CO2e emissions. For example, we are working to develop a more efficient internal combustion engine that would burn less fuel per unit of work than a standard 6.8L engine and an updated 13.6L engine with performance improvements and reduced fuel consumption over previous models. We believe these more efficient engines could help our customers improve profitability and productivity by saving both fuel and time. Our sustainability-related goals are designed to positively impact our customers and help support, rather than detract from, the ongoing viability and sustainability of their industries. We are working to improve our customers' profitability by reducing the amount of inputs-particularly time, labor, and fuel-necessary to accomplish

the same work (and in many cases, more work), while also promoting safety and reducing emissions. We believe these efforts benefit the industries we serve, our customers, and ultimately, our revenue."

**PIRC analysis:** The requested disclosure on the congruency of corporate expenditure with net zero ambitions appears to be a spoiler resolution to prevent other shareholders from filing resolutions regarding the company's alignment with net zero, or emission reduction targets, and focuses on executive behaviour with the clear intent to ensure that views against what the filers describe as "risky and costly political-schedule decarbonization" are represented within the company's political activities, as opposed to promoting accountability around the potential benefits of decarbonization and requesting transparency over the financial impact from non-traditionally financial issues, particularly the climate emergency, or avoid any suspicion and any damage that may cause to the company's reputation, or that the company may adopt a conduct different from what it has committed to. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 1.5, Abstain: 1.5, Oppose/Withhold: 97.0,

#### *5. Shareholder Resolution: Civil Rights, Non-Discrimination, And Return to Merit Audit*

**Proponent's argument:** National Center for Public Policy Research "request that the Board of Directors commission an audit analyzing the impacts of the Company's Diversity, Equity & Inclusion (DEI) policies on civil rights, non-discrimination and return to merit, 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 shareholders of a wide spectrum of viewpoints and perspectives. A report on the audit, prepared at reasonable cost and omitting confidential or proprietary information, should be publicly disclosed on the Company's website. Under the guise of ESG, corporations have allocated significant resources and attention towards implementing so-called anti-discrimination measures into workplace practices and hiring. Across the political spectrum, all agree that employee success should be fostered and that no employees should face discrimination, but there is much disagreement about what nondiscrimination means... Where adopted, such programs have raised significant objections, including the concern that the programs and practices themselves are deeply racist, sexist, otherwise discriminatory, and potentially in violation of the Civil Rights Act of 1964. And that by devaluing merit, corporations have sacrificed employee competence and morale – and therefore productivity – to the altar of "diversity." These practices create massive reputational, legal and financial risk. If the Company is, in the name of so-called "equity," 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. It must consult groups across the spectrum of viewpoints."

**Company's response:** The board recommended a vote against this proposal. "We are committed to the principles of equal employment opportunity and anti-discrimination and harassment for all individuals regardless of race, color, religion, age, sex, sexual orientation, gender, gender identity or expression, national origin, geographic background, physical and/or mental disability, protected veteran status, or any other classification protected by applicable law.... The proponent mischaracterizes this commitment to diversity, equity, and inclusion in two fundamental ways. First, the proposal suggests that our policies promoting these goals are discriminatory. Contrary to this assertion, we do not tolerate discrimination or harassment of any kind and have a long and proud history of valuing diversity of all kinds. We believe all employees should feel empowered to do their jobs without concern that they will be treated differently because of a protected characteristic... Second, the proponent misrepresents our policies promoting diversity, equity, and inclusion as a devaluation of the merit of each individual. An individual's ability to contribute and succeed in a job is, and has always been, the driving force behind our employment practices. Employment decisions are based on valid job requirements, and managers and supervisors are responsible for ensuring compliance with our equal employment opportunity practices."

**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: 1.0, Abstain: 1.6, Oppose/Withhold: 97.4,

#### 6. *Shareholder Resolution: Shareholder Ratification of Golden Parachutes*

**Proponent's argument** John Chevedden requests "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. This proposal only applies to the Named Executive Officers. "Severance or termination payments" include cash, equity or other pay that is paid out or vests due to a senior executive's termination for any reason. Payments include those provided under employment agreements, severance plans, and change-in-control clauses in long-term equity plans, but not life insurance, pension benefits, or deferred compensation earned and vested prior to termination. "Estimated total value" includes: lump-sum payments; payments offsetting tax liabilities, perquisites or benefits not vested under a plan generally available to management employees, post-employment consulting fees or office expense and equity awards if vesting is accelerated, or a performance condition waived, due to termination. The Board shall retain the option to seek shareholder approval after material terms are agreed upon. The current rules regarding Deere golden parachutes appear to be too lax because the 2023 shareholder support for this proposal was 41% in spite of 940-words of stern opposition from the Deere Board of Directors. The Deere Board of Directors did not indicate any flexibility in improving the rules regarding golden parachutes. This proposal is relevant even if there are current golden parachute limits. A limit on golden parachutes is like a speed limit. A speed limit by itself does not guarantee that the speed limit will never be exceeded... This proposal places no limit on long-term equity pay or any other type pay. This proposal thus has no impact on the ability to attract executive talent and does not discourage the use of long-term equity pay because it places no limit on golden parachutes. It simply requires that overly rich golden parachutes be subject to a non binding shareholder vote at a shareholder meeting already scheduled for other matters. This proposal is relevant because the annual say on executive pay vote does not have a separate section for approving or rejecting golden parachutes.

**Company's response** The board recommended a vote against this proposal. "No executive officer is a party to any individually negotiated agreement with us that would provide for a payment of a "golden parachute" upon termination. During 2023, we invited shareholders representing more than 40% of outstanding share ownership to engage in conversations on a variety of topics, including our approach to our executive compensation program. Of those we contacted, shareholders representing approximately 30% of outstanding share ownership participated in meetings and offered us valuable insights. As appropriate, we made changes to components of our executive compensation program to address this feedback. Specifically, in 2023, the Compensation Committee amended our CIC Severance Program to reduce the multiplier applicable to our chief executive officer, in the event of a change in control and a qualifying termination, from 3.0 times base salary and target short-term incentive for the fiscal year in which the termination occurs to 2.99 times, which is aligned with market practice and investor feedback. The multiplier applicable to our other executive officers was already set at 2 times base salary and target short-term incentive. The proposal seeks to require the Board to seek shareholder approval for any "severance or termination payment"—defined by the proponent to include equity pursuant to change in control clauses in long-term equity plans—that would exceed 2.99 times the sum of the individual's base salary plus target short-term bonus... To do as the proponent suggests would be to set an arbitrary cap that would be inconsistent with our shareholder-approved equity plan and the feedback we have received from shareholders on how to best align incentives between our executive officers and our shareholders.

**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: 38.0, Abstain: 0.6, Oppose/Withhold: 61.5,

## QUALCOMM INCORPORATED AGM - 05-03-2024

### *5. Amend Articles: Delaware law provisions*

The Board seeks authority to amend the articles, to reflect new Delaware law provisions regarding the exculpation of officers. Article VII of the Company's Certificate of Incorporation (Certificate) currently provides for the Company to limit the monetary liability of directors in certain circumstances pursuant to and consistent with the Delaware General Corporation Law (DGCL). The State of Delaware recently amended Section 102(b)(7) of the DGCL to allow Delaware corporations to extend similar protections to officers. Specifically, the amendments to the DGCL allow Delaware corporations to exculpate their officers for personal liability for breaches of the duty of care in certain circumstances. The provision would only permit exculpation for direct claims brought by stockholders, as opposed to claims brought by or on behalf of the Company. An oppose vote is recommended on the grounds that officers should be held accountable for their actions and the addition of exculpation provisions for officers may hinder this accountability.

Vote Cast: *Oppose*

Results: For: 87.8, Abstain: 0.2, Oppose/Withhold: 12.0,

### *6. Amend Articles: Require Claims under the Securities Act to be Brought in Federal Court*

The Board of Directors proposes amending the Articles of Association to mandate that all claims under the Securities Act of 1933 be filed exclusively in federal courts. According to the company, this proposal aims to centralize litigation, simplifying and consolidating legal proceedings. However, it raises concerns about escalating litigation expenses and the organizational burdens placed on shareholders, particularly those in the minority or retail categories. The proposed amendment could increase legal costs and more challenging procedural requirements, given the federal courts' reputation for complexity and strict adherence to more expensive procedures, in addition to organisational difficulties of coordinating class actions with plaintiffs from different states. This approach risks imposing disproportionate burdens on shareholders and may affect the equity and accessibility of legal remedies. Therefore, a recommendation to vote withhold for the amendment is suggested, considering its potential adverse effects on shareholders and the overarching goal of ensuring fair and accessible legal recourse.

Vote Cast: *Oppose*

Results: For: 87.0, Abstain: 0.6, Oppose/Withhold: 12.4,

## NOVARTIS AG AGM - 05-03-2024

### *5.3. Advisory Vote on the 2023 Compensation Report*

It is proposed to approve the annual report on remuneration of Executive and Non-Executive directors with an advisory vote. There are concerns regarding excess as the total variable remuneration exceeded 200% of the salary. The Company has 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: 84.4, Abstain: 0.5, Oppose/Withhold: 15.1,

### *6.3. Re-elect Ton Buechner*

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. On balance, support is recommended.

Vote Cast: *For*

Results: For: 87.5, Abstain: 0.3, Oppose/Withhold: 12.2,

#### 6.4. *Re-elect Patrice Bula*

Independent Lead Independent Director and Chair of the Governance, Sustainability and Nomination Committee . The Chair of the Governance, Sustainability and Nomination 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: 87.4, Abstain: 1.2, Oppose/Withhold: 11.5,

#### 7.1. *Re-elect Compensation Committee Member: Patrice Bula*

Independent Non-Executive Director, candidate to the Remuneration Committee on this resolution. Support is recommended.

Vote Cast: *For*

Results: For: 85.9, Abstain: 0.5, Oppose/Withhold: 13.6,

### APPLIED MATERIALS INC AGM - 07-03-2024

#### 4. *Shareholder Resolution: Lobbying Report*

**Proponent's Argument:** Kenneth Steiner asks the Board of Directors to fully disclose lobbying activities and expenditures to assess whether our company's lobbying is consistent with its expressed goals and shareholder interests. "Applied Materials spent USD 15 million from 2010 – 2022 on federal lobbying. This does not include state lobbying, where Applied Materials also lobbies but disclosure is uneven or absent. For example, Applied Materials spent over USD 1.5 million on lobbying in California from 2010 – 2022. Applied Materials also lobbies abroad, spending between EUR 200,000 – 299,999 on lobbying in Europe for 2022. And chip makers' lobbying over curbs on sales to China has drawn media attention. Companies can give unlimited amounts to third party groups that spend millions on lobbying and undisclosed grassroots activity, and these groups may be spending at least double what's publicly reported. Applied Materials' lack of disclosure presents reputational risk when its lobbying contradicts company public positions."

**Company's Response:** The Board of Directors recommends a vote against this proposal. "We are committed to transparently disclosing information regarding our lobbying and political activities. In recognition of the importance of this topic to shareholders and other stakeholders, we have for many years provided extensive disclosures regarding our lobbying activities, including our federal lobbying expenditures and our trade association memberships, as well as our political spending, in our annual Sustainability Report and on the corporate responsibility page of our website in the Public Policy Reports section. We have appropriate Board- and management-level procedures in place to oversee our lobbying and political activities. The Corporate Governance and Nominating Committee of the Board, comprised entirely of independent directors, oversees our public policy activities and receives an annual report detailing our political contributions and policies relating to our political giving and activities. The Board ultimately believes that the Company should be an effective participant in the political process, including through lobbying activities and participation in trade and industry associations. As a leader in the technology industry, our participation in lobbying activities is a result of careful consideration of political and legislative matters that may have an impact on the Company or our strategy and allows us to advocate for our policy positions, share our business expertise, and be part of public education efforts regarding issues facing our industry and the business community."

**PIRC analysis:** The transparency and completeness of the Company's reporting on lobbying expenditures related to climate is considered insufficient. The proposal is advisory and is considered adequately worded to respect the prerogatives of the board. It is considered that the proposal does not mean to undermine the past work of the company in this respect, or the positive role of these associations in some aspects. Steps forward are encouraging, and the company has demonstrated ability to monitor and act, when the work of some associations have come into conflict with the company's support of the Paris Agreement. Although company's contributions to trade associations do not necessarily equate with that association's political or lobbying activities, it is considered to be to the benefit of the Company and its shareholders to be open about those activities, especially if they are antithetical to its published statements about climate risk and how it is attempting to manage this.

In this sense, a vote in favour is recommended as a way to show shareholders' support for the board efforts to oversee and manage its relationships with industry associations, whose positioning may not align with either the position adopted by the company or the interests of long-term investors.

Vote Cast: *For*

Results: For: 16.5, Abstain: 1.4, Oppose/Withhold: 82.0,

### 5. Shareholder Resolution: Pay Equity Reporting

**Proponent's Argument:** Ronald Strom and Catherine Pascal are asking the Board of Directors to disclose pay equity reporting in relation to racial and gender pay gaps. "Pay inequities persist across race and gender and pose substantial risks to companies and society. Black workers' median annual earnings represent 77 percent of white wages. The median income for women working full time is 84 percent that of men. Intersecting race, Black women earn 76 percent and Latina women 63 percent. At the current rate, women will not reach pay equity until 2059, Black women in 2130, and Latina women in 2224. Actively managing pay equity is associated with improved representation. Diversity in leadership is linked to superior stock performance and return on equity. Underrepresented minorities represent 19 percent of Applied Materials's workforce and 5 percent of executives. Women represent 19 percent of the workforce and 13 percent of executives. Applied Materials does not report quantitative unadjusted or adjusted pay gaps. About 50 percent of the 100 largest U.S. employers currently report adjusted gaps, and an increasing number of companies disclose unadjusted gaps to address the structural bias women and minorities face regarding job opportunity and pay."

**Company's Response:** The Board of Directors recommends a vote against this proposal. "We are committed to the philosophy of providing equitable compensation for our employees that accounts for employees' roles, organizational levels, and geographic locations. To ensure that we are consistently living up to that compensation philosophy, we conduct pay parity analyses and review our global pay practices annually, and adjust employee compensation where warranted. In our engagement with shareholders, we have heard from certain shareholders that additional disclosure regarding our pay practices would be beneficial. Accordingly, and as part of our continued commitment to enhanced transparency and accountability, we will annually disclose adjusted pay ratios by gender for our employees, both globally and for our U.S. employees, and by minorities compared to non-minorities for our U.S. employees, beginning with our 2023 Sustainability Report, which is scheduled to be published in June 2024. Our adjusted pay ratios will reflect total compensation, consisting of base salary, cash bonus and stock awards. We believe that adjusted pay ratios better reflect pay equity as the ratios take into account factors such as employees' roles, organizational levels, and geographic locations. These disclosures should advance shareholder understanding of pay equity at Applied. We do not believe that an unadjusted median pay figure is a meaningful metric for pay equity. An unadjusted median pay ratio measures the difference in pay of two employees whose compensation happens to fall at the midpoint among employees in a given demographic (such as gender or ethnicity), without accounting for valid factors that impact pay, such as employees' roles, organizational levels, and geographic locations. The Board does not believe that the proposal's request that we also report unadjusted median pay ratios across race and gender would provide transparency with respect to pay equity and equal opportunity, and would not enhance an understanding of or accountability for our diversity efforts."

**PIRC analysis:** Disclosure of goals and policies related to the gender pay gap would also be beneficial. As such, the requested report over the risks associated with a gender pay gap on the company's human capital and business is considered in the best interest of shareholders and would underpin the company's efforts in fostering diversity and thereby enhance its reputation. 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 on such issues, 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: 21.1, Abstain: 1.0, Oppose/Withhold: 77.9,

## XPS PENSIONS GROUP PLC EGM - 07-03-2024

### 1. Approve Remuneration Policy

It is proposed to the shareholders to approve the Remuneration Policy of the Company. The changes proposed to the new Remuneration Policy are: i) an element of

bonus deferral is to be introduced. To date, all bonus payments have been made in cash. For financial years commencing following the approval of the 2024 Policy, bonus payments up to 100% of salary are to be paid as cash, with any amount payable in excess of this deferred into shares for two years; and ii) a clarification that PSP awards in good leaver situations will normally be retained and vest at the normal vesting date.

Although the changes proposed there are still concerns for the Remuneration Policy of the Company. Total variable pay could reach 300% of the salary for the CEO and 275% of the salary for the other Executives and is considered excessive since is higher than 200%. On the Annual Bonus the payments up to 100% of the salary will be paid in cash and payment in excess of 100% of the salary will defer to shares for two years. This is not considered adequate, it will be preferable 50% of the Bonus to be paid in cash and 50% to defer to shares for at least three years. On the Performance Share Plan (PSP) the performance period is three years which is not considered sufficiently long-term, however a two year 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 clawback provisions apply 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'. Therefore, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 76.4, Abstain: 0.0, Oppose/Withhold: 23.6,

## **SAFESTORE HOLDINGS PLC AGM - 13-03-2024**

### *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: 89.3, Abstain: 0.0, Oppose/Withhold: 10.7,

### *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: 84.7, Abstain: 0.2, Oppose/Withhold: 15.1,

## STARBUCKS CORPORATION AGM - 13-03-2024

### 4. *Shareholder Resolution: report on plant-based milk pricing*

**Proponent's argument:** People for the Ethical Treatment of Animals request that Starbucks issue 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. "Starbucks prides itself on "innovating to create new experiences," our company is failing to capitalize on market trends by continuing to impose an upcharge on plant-based milks. Dairy milk has been declining in popularity since the 1970s, and U.S. dairy consumption recently hit an all-time low. Younger consumers are at least partly responsible for dairy's decline, as multiple studies show that Gen Zers-whose spending power has more than doubled in three years to reach an estimated \$360 billion-view cow's milk as "basic2 or "uncool." Our company is potentially missing out on billions in revenue by turning off this important demographic. Social trends aren't the only reason consumers have soured on cow's milk-82% of people who drink plant-based milk do so because they enjoy its taste, and nearly half the people who try plant-based milk reduce or completely stop their consumption of cow's milk. [...] Starbucks claims that it's committed to increasing plant-based options as an extension of its sustainability mission, yet it continues to charge an average of 70 cents extra per beverage for plant-based milks, whose production emits roughly three times less greenhouse gas and uses nearly 10 times less land and two to 20 times less freshwater than the production of cow's milk. Failure to meet publicly stated corporate responsibility goals has been known to negatively impact consumer sentiment toward companies and may ultimately affect the value of a company's stock."

**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 China or the United Kingdom or licensed markets in France, Belgium, the Netherlands, Luxembourg, Chile, or Argentina. 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. In addition to our efforts to increase plant-based offerings, we have innovated and worked with others to source high-quality dairy, responsibly and sustainably. In 2021, we launched our first on-farm pilot through U.S. Dairy Net Zero Initiative with Alliance Dairy to explore technologies related to renewable and organic fertilizer and water reuse. We also work with Agolin to improve feed efficiency and reduce enteric methane and are also collaborating with The Nature Conservancy to help refine and scale our approach to more sustainable dairy and environmental stewardship. We have long been committed to giving more than we take from the planet and to expanding our plant-based menu items. As with all product offerings, we continuously evaluate the market for, and the price of, our plant-based menu items, including plant-based milk customizations"

**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: 5.2, Abstain: 2.5, Oppose/Withhold: 92.3,

### 5. *Shareholder Resolution: report on direct and systemic discrimination*

**Proponent's argument:** National Center for Public Policy Research request that the Company conduct an audit and report to determine if and to what extent its programs and practices direct systemic discrimination against groups or types of employees, including "non-diverse" employees. "The Company has spent significant resources and attention on implementing DEI policies into workplace practices and hiring. These efforts include the Company's "Partner Networks," which "are partner-led groups that bring together people with shared identities and experiences, along with allies, to promote a culture of inclusion. . ." [...] Membership in such groups is often based on surface-level characteristics such as race, sex, and sexual orientation. In fact, Starbucks boasts a dozen partner networks, with more than half being grounded in surface-level characteristics. These groups include the Black Partner Network to focus on the "African diaspora," the Hora del Cafe to focus

on the "Latinx culture," the India Partner Network to focus on the "growth of the India market," the Indigenous Partner Network to "preserve and celebrate Indigenous cultural values," the Pan-Asian Partner Network to "elevate the impact of Pan-Asian partners," the Pride Network to "cultivate an equitable, dynamic and supportive environment for LGBTQIA2+ partners," the Welcoming Refugees Alliance to "empower and advocate for refugee partners," and the Women's Impact Network to "ignite the power of women." While Starbucks also has Networks that focus on the Armed Services, the disabled, and sustainability, it only has one group that actually focuses on performance: the "Next at Starbucks" group, to "support and empower the next generation of Starbucks leadership." Starbucks has no Partner Networks, though, for any "non-diverse" groups. This is particularly a concern given the many programs Starbucks has established to facilitate disparate treatment in hiring and promotion against the "non-diverse." Under equity theory itself, this gap indicates the existence of systemic discrimination against the non-diverse at Starbucks. The content of the current Partner Network groups' recommendations and activities would further substantiate that claim and would help to demonstrate if there's systemic discrimination by viewpoint at Starbucks."

**Company's response:** The board recommended a vote against this proposal. "We have 13 U.S.-based Partner Networks that are partner-led to bring together people with a broad variety of shared identities and experiences, along with allies, to promote a culture of inclusion. Additionally, we have more than 20 Partner Networks available globally. All partners, regardless of their identities or backgrounds, are invited to join and contribute to our Partner Networks. And over half of our Partner Networks either currently or in the past have had a self-identified ally on their leadership team. Our Partner Networks each have unique goals that align with our mission statement, promises, and values. Affinity groups like our Partner Networks are commonplace at many employers, including private and public companies, universities, military commands, and government agencies, and have become a well-established method to allow for organizations to foster an inclusive environment."

**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. A vote against the resolution is recommended.

Vote Cast: *Oppose*

Results: For: 1.2, Abstain: 1.1, Oppose/Withhold: 97.7,

#### *6. Shareholder Resolution: report on congruency human rights policies*

**Proponent's argument:** National Legal and Policy Center request the board of directors issue a report by March 31, 2025, at reasonable cost and omitting proprietary or confidential information, analyzing the congruency of the Company's human rights policy positions with its actions, especially in countries in geopolitical conflicts or under oppressive regimes, as they impact how the Company maintains its reputation, viability and profitability. "Starbucks appears to uphold-or rescind-these principles inconsistently across countries where it conducts business. For example in China, the Company seeks accelerated growth in an environment where many U.S.-based businesses increasingly exercise caution due to uninsurable risks. In its zeal to grow to 9,000 stores within the next two years, Starbucks must comply with the expectations of the dictatorial and genocidal Chinese Communist Party, which controls the government. One expert on business in China credited the Company's success so far to "friends in high places," adding, "They are very politically savvy when it comes to entering the Chinese marketplace. Most of their real estate partners are either high-ranking party officials or real estate entities that are in some way tied to the Chinese Communist Party, and some of the leaders. " Yet upon Russia's invasion of Ukraine, the Company temporarily closed all its licensed cafes in Russia and paused shipments of all its products into the country. Starbucks's CEO at the time said, "I want to express deep care for the livelihoods of our 2,000 green apron partners in Russia. In times like these, as a company and as partners, we strive to never be a bystander ... I want you to know that no matter what, we stand together, as partners." Two months later the Company exited Russia permanently and said it would give 2,000 employees there six-months' severance. The abandonment by the Company of its private licensing partner in Russia and its employees came despite no reports of endangerment to its cafes."

**Company's response:** The board recommended a vote against this proposal. "We recognize the importance of having a consistent approach to advancing our

commitment to respect human rights. Like the proponent, our Board agrees that our actions-wherever we operate-should be aligned with our mission statement, promises, and values. And our Board is fully engaged in overseeing those commitments and recently formed the Environmental, Partner, and Community Impact Committee to support this work. In 2023, we conducted an enterprise-wide Human Rights Impact Assessment ("HRIA") in accordance with the United Nations Guiding Principles on Business and Human Rights and led by an independent consultancy with expertise in human rights. The results of the assessment were reviewed with our executive leadership and Board, and we have made a summary of key findings from the HRIA publicly available on our website. In addition, at our 2023 Annual Meeting, a majority of our shareholders approved a shareholder resolution calling for an independent, third-party assessment of our adherence to our stated commitment to freedom of association and the right to collective bargaining referenced in our Global Human Rights Statement (FOA/CB Assessment). That assessment was undertaken by a highly qualified, independent assessor with the deep subject matter expertise necessary for the task, and key findings from that assessment were made publicly available on December 13, 2023."

**PIRC analysis:** The requested report on discrepancies between policies and practice in global operations in countries, particularly in geopolitical conflicts or under oppressive regimes, 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 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 in certain countries, 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: 1.6, Abstain: 2.2, Oppose/Withhold: 96.2,

#### DSV A/S AGM - 14-03-2024

##### 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*

Results: For: 70.0, Abstain: 1.0, Oppose/Withhold: 29.1,

#### NORDEA BANK ABP AGM - 21-03-2024

##### 24. *Shareholder Resolution: Amendment of Articles of Association*

**Proponent's Argument:** Shareholders Greenpeace Nordic, Swedish Society for Nature Conservation (Naturskyddsföreningen) and Mellempøkeligt Samvirke / Action Aid Denmark propose that Articles of Association are amended by adding a new article 4 stating: "4. Business activities aligned with the Paris Agreement. The company's strategy shall fully align with the Paris Agreement to limit global warming to 1.5 degrees. The company will therefore not provide lending and underwriting to companies and projects that expand fossil fuel extraction and/or lack Paris-aligned phase-out plans."



**Board's Response:** The board recommended a vote against this proposal. "After thorough review and consideration of the proposal with regard to the Company's strategy, business, and good governance, the Board of Directors concluded that it does not recommend adoption of the proposed amendment to the Company's Articles of Association. The Board believes that the proposed amendment would be problematic to Nordea because of, among other things, the forced curtailing of customer relationships and potentially being contradictory to other applicable banking regulation. This would impact not only Nordea's ability to serve its customers and the society as a whole but also limit its ability to encourage a more impactful climate transition for the customers and society. It is important to stress that Nordea shares the strong sentiment on climate change that motivates the proposed amendment and agrees with the importance of reducing emissions and mitigating negative climate and nature effects, as well as focusing on related transition plans and reporting. The societal transition is of utmost importance and a key priority for Nordea. The proposed amendment would not help us create a positive impact in the real economy but rather limit our ability to do so. The Board of Directors does not consider that the Company's Articles of Association are an appropriate mechanism for stipulating on such matters – this is because Nordea is subject to extensive and detailed banking regulation that includes also climate and related reporting and because the corporate governance model and related legislation applicable to Nordea defines that the Company's strategy and monitoring its implementation is one of the most essential tasks of the Board of Directors, not the shareholders'."

**PIRC analysis:** Shareholders have an interest in carbon neutrality, emission reduction and overall energy transition impacts lending and underwriting practices, as a means of informing them of potential risks and opportunities faced by the company, of strategies put in place to manage those risks and opportunities, and of the evaluation of the potential impact of different scenarios, including a 1.5 degrees Celsius scenario, on their businesses, strategy, and financial planning. Financing the energy transition could be indeed an opportunity especially for banks, as the size of a greener economy is directly related to the availability of financing for those projects. Although some case studies show that banks are getting increasingly involved in the energy transition, most of the financial system as a whole is still mainly oriented towards financing the linear economy when not directly fossil fuel enterprises. The company has committed to some sector targets in its lending portfolio, but has not clearly pledged to refrain from financing all new plans based on fossil fuels. Fossil fuels financing is risky, with records of several human rights and environmental violations and returns that can pay out only years after the initial expensive investment. On the contrary, financing the energy transition could be indeed an opportunity especially for banks, as the size of a greener economy is directly related to the availability of financing for those projects. Support is recommended.

Vote Cast: *For*

Results: For: 47.4, Abstain: 0.0, Oppose/Withhold: 52.6,

## **BANCO SANTANDER SA AGM - 21-03-2024**

### **6.A. 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. The Company has disclosed past achievements and quantified future targets. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. Support is recommended.

Vote Cast: *For*

Results: For: 74.6, Abstain: 0.3, Oppose/Withhold: 25.1,

## **CAIXABANK SA AGM - 21-03-2024**

### **6.1. 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. The Company has disclosed past achievements and quantified future targets. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. Support is recommended.

Vote Cast: *For*

Results: For: 76.5, Abstain: 0.1, Oppose/Withhold: 23.4,

## **SWISSCOM AGM - 27-03-2024**

### *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, 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*

Results: For: 84.8, Abstain: 0.3, Oppose/Withhold: 14.9,

### 3 Oppose/Abstain Votes With Analysis

#### ELLAKTOR SA EGM - 11-01-2024

##### *4. Approve the the sale of the shares of ANEMOS RES SA, owned by the Company, to the company under the name Motor Oil Renewable Energy Single Member S.A*

It is proposed to the shareholders to approve the sale of the shares of ANEMOS RES SA, owned by the Company, to the company under the name Motor Oil Renewable Energy Single Member S.A. The sale of the shares are made to a Company controlled by a significant shareholder Motor Oil (Hellas) Corinth Refineries S.A. 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. It is considered that the Company has disclosed insufficient 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*

#### CASINO GUICHARD PERRACHON SA EGM - 11-01-2024

##### *1. Approval of the Company's Draft Accelerated Safeguard Plan*

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*

#### HEXAGON PURUS AS EGM - 11-01-2024

##### *4. Issue Bonds*

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. Issue of Warrants*

The board seeks authority to issue warrants 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. Issue Additional Warrants*

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. Opposition is recommended.

Vote Cast: *Oppose*

#### **MONDI PLC EGM - 15-01-2024**

##### *5. 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*

#### **D. R. HORTON INC. AGM - 17-01-2024**

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

Non-executive Chair of the Board. Not considered independent as Mr. Horton has held executive positions at the Company and its predecessors since 1972 until 2023. Additionally, Mr Horton also holds a significant amount of the issued share capital of the Company. 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.

Vote Cast: *Oppose*

Results: For: 87.4, Abstain: 0.0, Oppose/Withhold: 12.6,

##### *1b.. Elect Barbara K. Allen - 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: 92.4, Abstain: 0.4, Oppose/Withhold: 7.2,

##### *1c.. Elect Brad S. Anderson - 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: 96.2, Abstain: 0.0, Oppose/Withhold: 3.7,

##### *1e.. Elect Michael R. Buchanan - 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: 92.7, Abstain: 0.0, Oppose/Withhold: 7.3,

### 1h.. *Elect Paul J. Romanowski - Chief Executive*

Chief Executive. As neither the Chair of the Sustainability Committee nor the Board Chair is up for re-election, 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.

During the year under review, the company has been accused of misleading advertisement, and while no wrongdoing has yet been identified, there are concerns about the potential reputational and legal implications of this on the company.

On balance, a vote to Oppose is recommended.

Vote Cast: *Oppose*

Results: For: 97.4, Abstain: 0.0, Oppose/Withhold: 2.6,

### 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: 88.9, Abstain: 0.1, Oppose/Withhold: 11.1,

### 5. *Appoint the Auditors: E&Y*

EY proposed. Non-audit fees represented 0.22% of audit fees during the year under review and 0.92% 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,

## **COSTCO WHOLESALE CORPORATION AGM - 18-01-2024**

### 1a. *Elect Susan L. Decker*

Non-Executive Director and member of the Audit Committee. Not considered to be independent owing to a tenure of over nine years. It is considered that the Audit Committee should consist of a majority of independent directors. Due to the insufficient independent representation on the Audit Committee, and regardless of the independent representation on the Board as a whole, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 95.4, Abstain: 0.1, Oppose/Withhold: 4.5,

### 1b. *Elect Kenneth D. Denman*

Non-Executive Director, chair of the audit committee. At the company, it is not clear if the Audit Committee oversees or is alerted to cases from the 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: 96.9, Abstain: 0.1, Oppose/Withhold: 2.9,

#### 1c. *Elect Helena B. Foulkes*

Non-Executive Director. Not considered independent as the director came to the attention of the Nominating and Governance Committee via Hamilton James. Additionally, the director is known by another current director, Maggie Wilderotter. The details of these ties are not sufficiently disclosed and as such it is not possible to determine if the director is sufficiently independent from the current Board. There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

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

#### 1e. *Elect Hamilton E. James*

Non-Executive Chair, not considered to be 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. Holding an executive position is incompatible with this and a vote to Oppose is recommended.

Vote Cast: *Oppose*

Results: For: 93.4, Abstain: 0.2, Oppose/Withhold: 6.3,

#### 1h. *Elect Jeffrey S. Raikes*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board. Furthermore, as chair of the nominating and governance committee, the director is responsible for the Company's sustainability programme. Given the concerns over the Company's sustainability policies and practice, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 91.7, Abstain: 0.1, Oppose/Withhold: 8.2,

#### 2. *Appoint KPMG as Auditors*

KPMG proposed. Non-audit fees represented 5.96% of audit fees during the year under review and 7.94% 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*

Results: For: 95.9, Abstain: 0.1, Oppose/Withhold: 4.0,

#### 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*

Results: For: 94.2, Abstain: 0.4, Oppose/Withhold: 5.4,

#### 4. *Shareholder Resolution: Fiduciary Carbon-Emission Relevance Report*

**Proponent's argument:** The National Centre for Public Policy Research "request Costco's Board of Directors provide an audited report evaluating the material factors relevant to decisions about whether a 2050 net-zero carbon goal, or other similar decarbonization targets is appropriate, including factors that mitigate against the

feasibility of such goals. These factors might reasonably include technological feasibility... the economic consequences of adoption, the possibility that the climate models that underlie such goals are incorrect, the possibility that failure to adopt such goals in other countries will render adoption by Costco meaningless, the possibility that U.S. governments will not mandate such decarbonization. The report should be made public, produced at reasonable cost, and omit proprietary information. Claims about the need for decarbonization at all, but especially by some activist-generated date certain, are based on a long series of assumptions that are either counterfactual or insufficiently examined. For decades, for instance, claims have been made that action must be taken before some date, or it will be too late. If those claims were right, it's too late for decarbonization to matter now, so we should be building up economic resources to deal with climate change... Recent forensic research has demonstrated that "[r]eplacing an energy system overwhelmingly based on hydrocarbons with one centered predominantly on wind and solar would make the world unambiguously poorer... Making the world's poor poorer to advance the policy preferences of some misinformed wealthy climate activists is the height of social injustice as well as being a terrible business strategy. Costco must examine its premises honestly and fully."

**Company's response:** The board recommended a vote against this proposal. "The Company has developed and implemented a comprehensive and measured approach to reducing the carbon emissions of the Company and its suppliers. This approach, reflected in the Climate Action Plan, balances the responsibility to mitigate the harms from global warming with protecting the interests of the Company's direct stakeholders. The Plan, which has been the subject of extensive discussions with the Company's largest shareholders, does not adhere to the dictates of any organization or interest group; rather, it is specifically tailored to accomplishments that the Company believes are substantial yet achievable... There are many challenges to be faced in achieving these goals, most notably that significant progress on reducing Scope 3 emissions depends upon advances by our suppliers, who number in the thousands. The presence of these and other hurdles does not, however, dictate that no effort be made at all... The commitments in the Plan are substantial; they do not, however, include a requirement for "net-zero emissions by 2050 or sooner." The Board and the Company are fully cognizant, however, that reducing emissions will not occur without costs; continuing implementation of the Plan will occur with monitoring and evaluation of those costs, with the objective of achieving a just transition. The Board and the Company also have noted that the Plan, and others like it, will not now prevent the impacts of global warming, which every day are more evident."

**PIRC analysis:** Increased disclosure would normally be considered to be in shareholders' interests. The proponent seeks a report exclusively focused on short-term costs and benefits for the company, excluding the long-term benefits (also economic) of a lower carbon emission strategy. It is considered that shareholders should instead be focused on long-term value creation. Ignoring the potential long-term costs of ignoring climate change is not considered to be in shareholders best interests. However, the requested disclosure on the congruency of corporate expenditure with net zero ambitions appears to be a spoiler resolution to prevent other shareholders from filing resolutions regarding the company's alignment with net zero, or emission reduction targets, and focuses on executive behaviour with the clear intent to ensure that views against what the filers describe as "risky and costly political-schedule decarbonization" are represented within the company's political activities, as opposed to promoting accountability around the potential benefits of decarbonization and requesting transparency over the financial impact from non-traditionally financial issues, particularly the climate emergency, or avoid any suspicion and any damage that may cause to the company's reputation, or that the company may adopt a conduct different from what it has committed to. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 1.9, Abstain: 1.4, Oppose/Withhold: 96.7,

## FOCUSRITE PLC AGM - 19-01-2024

### 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)*

Non-Executive Chair of the Board. The Chair is not considered to be independent owing to being the founder of the company and until 2012 was its CEO. Additionally, the Chair's tenure exceeds nine years. 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*

### *6. Re-elect David Bezem - Senior Independent Director*

Senior Independent Director. Not considered independent owing to a tenure that exceeds 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*

### *9. 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. 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*

### *11. 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*



### 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 10% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. 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*

## VISA INC AGM - 23-01-2024

### 1a. *Elect Lloyd A. Carney*

Independent director, Audit Committee Chair

The company has been subject to litigation during the year under review and while no wrongdoing has been identified at this time, there are concerns about the potential financial and reputational impacts of this litigation on the company. In August 2022, A U.S. District Court Judge has rejected Visa's request to be dismissed from a child pornography lawsuit against MindGeek, the parent company of Pornhub. The case against MindGeek and Visa is brought by Serena Fleites, who was 13 years old in 2014 when an explicit video of her first appeared on Pornhub. Fleites' then-boyfriend had recorded and posted the video without her consent. MindGeek distributed the video among various websites it owned, earning revenue from advertisements appearing alongside it. Visa is accused of facilitating the process by processing payments between advertisers and MindGeek. Fleites alleges that Visa and its agent banks continued to process transactions connected with child pornography despite being aware of the illegal content on MindGeek websites. The Audit Committee is considered responsible for risk oversight and as such, abstention is recommended to the re-election of the Chair of the Audit Committee.

Vote Cast: *Abstain*

Results: For: 97.2, Abstain: 0.2, Oppose/Withhold: 2.6,

### 1f. *Elect John F. Lundgren*

Current Lead Independent Director, proposed for election as Chair of the Board from 23 January 2024. Considered to be Independent. However, the director currently serves as chair of the Nominating and Corporate Governance Committee, which 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, a vote in opposition is recommended.

Vote Cast: *Oppose*

Results: For: 97.5, Abstain: 0.1, 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: ACA. Based on this rating, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 89.9, Abstain: 0.6, Oppose/Withhold: 9.5,

### 3. *Appoint KPMG as Auditors*

KPMG proposed. Non-audit fees represented 0.82% of audit fees during the year under review and 1.08% 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: 97.7, Abstain: 0.1, Oppose/Withhold: 2.2,

### 5. *Approve One or More Adjournments of the Annual Meeting to Solicit Additional Proxies*

The board requests authority to adjourn the special meeting until a later date or dates, if necessary, in order to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the merger. An oppose vote is recommended to any adjournment or postponement of meetings if a sufficient number of votes are present to constitute a quorum. It is considered that where a quorum is present, the vote outcome should be considered representative of shareholder opinion.

Vote Cast: *Oppose*

## **BECTON, DICKINSON AND COMPANY AGM - 23-01-2024**

### 1.02. *Re-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: 96.3, Abstain: 0.5, Oppose/Withhold: 3.1,

### 1.05. *Re-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: 95.4, Abstain: 0.5, Oppose/Withhold: 4.1,

### 1.06. *Re-elect Jeffrey W. Henderson - Non-Executive Director*

Independent Non-Executive Director. The director received significant opposition during the last AGM. It is considered in line with best practice that companies take additional steps towards shareholders in order to understand the reason for significant opposition and disclose follow-up actions to all shareholders. Overall, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 90.5, Abstain: 0.6, Oppose/Withhold: 8.9,

**1.07. Re-elect Christopher Jones - Non-Executive Director**

Non-Executive Director, Chair of the Governance and Nominating Committee and member of the Audit Committee. Not considered to be independent as owing to a tenure of over nine years. It is considered that the Audit Committee should consist of a majority of independent directors. Additionally, at this time individual attendance record at board and committee meetings is not disclosed. This prevents shareholders from making an informed assessment on the fulfilment of fiduciary duties and the time that directors commit to the company. It is considered that the chair of Governance and Nomination Committee be responsible for inaction in terms of lack of disclosure. Finally, as the Chair of the Governance and Nominating Committee, the director 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: 94.0, Abstain: 0.5, Oppose/Withhold: 5.5,

**1.08. Re-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: 92.5, Abstain: 0.7, Oppose/Withhold: 6.8,

**1.09. Re-elect Timothy M. Ring - Non-Executive Director**

Non-Executive Director and member of the Audit Committee. Not considered to be independent as owing to a tenure of over nine years. It is considered that the Audit Committee should consist of a majority of independent directors. Due to the insufficient independent representation on the Audit Committee, and regardless of the independent representation on the Board as a whole, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 97.4, Abstain: 0.5, Oppose/Withhold: 2.1,

**1.10. Re-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: 91.0, Abstain: 0.5, Oppose/Withhold: 8.5,

**2. Appoint the Auditors**

EY proposed. Non-audit fees represented 9.89% of audit fees during the year under review and 7.14% 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: 93.2, Abstain: 1.1, Oppose/Withhold: 5.7,

**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*

Results: For: 92.0, Abstain: 0.7, Oppose/Withhold: 7.4,

## MARSTON'S PLC AGM - 23-01-2024

### 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. 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: 98.0, Abstain: 0.1, Oppose/Withhold: 1.9,

### 7. *Re-elect Octavia Morley - Senior Independent Director*

Senior Independent Director. Considered independent. Ms. Morley 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.

Vote Cast: *Oppose*

Results: For: 93.0, Abstain: 0.7, Oppose/Withhold: 6.3,

### 8. *Re-elect William Rucker - 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 such, given the concerns over the Company's sustainability policies and practice, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 97.1, Abstain: 0.7, Oppose/Withhold: 2.3,

### 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*

Results: For: 97.8, Abstain: 0.1, Oppose/Withhold: 2.1,

## MOTOR OIL CORINTH REFINERIES EGM - 24-01-2024

### 1. *Approve the the sale of the shares of Anemos Res S.A, owned by Ellactor S.A to the Company.*

It is proposed to the shareholders to approve the sale of the shares of ANEMOS RES SA, owned by Ellactor S.A, to the company. The sale of the shares are made from a Company controlled by Motor Oil (Hellas) Corinth Refineries S.A which is a significant shareholder.

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. It is considered that the Company has disclosed insufficient 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*

## **AIR PRODUCTS AND CHEMICALS INC. AGM - 25-01-2024**

### *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. Opposition is recommended.

*Vote Cast: Oppose*

*Results: For: 94.8, Abstain: 0.4, Oppose/Withhold: 4.8,*

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

Non-Executive Director. Not considered independent owing to a tenure that exceeds 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*

*Results: For: 96.4, Abstain: 0.1, Oppose/Withhold: 3.5,*

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

Senior Independent Director & Chair of the Corporate Governance and Nominating Committee. Not considered independent owing to a tenure exceeding nine years. It is considered that a Senior Independent Director should be independent, in order to fulfil the responsibilities assigned to that role. The Chair of the Corporate Governance and Nominating Committee is considered to be 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.

*Vote Cast: Oppose*

*Results: For: 96.4, Abstain: 0.1, Oppose/Withhold: 3.5,*

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

Non-Executive Director & Chair of the Audit Committee. Not considered independent owing to a tenure of over nine years. It is considered that audit committees should be comprised exclusively of independent members, including the chair. Opposition is recommended.

*Vote Cast: Oppose*

*Results: For: 97.6, Abstain: 0.1, Oppose/Withhold: 2.2,*

## *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: 72.5, Abstain: 0.5, Oppose/Withhold: 27.0,

### 3. *Appoint the Auditors*

Deloitte proposed. No non-audit fees were paid during the year under review and 0.40% was 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 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: 99.3, Abstain: 0.2, Oppose/Withhold: 0.5,

## BARINGS EMERGING EMEA OPPORTUNITIES PLC AGM - 25-01-2024

### 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, nor a company secretary in the employ of the fund manager), we would like to see a public statement: - addressing whether any part of the discount can be explained by capitalisation of the costs (the total costs as in the Key Investor information Document - 'KID'), - 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*

## BRITVIC PLC AGM - 25-01-2024

### 3. *Approve the Remuneration Report*

Awards granted to Directors under the Company's variable remuneration schemes are considered excessive as they exceeded 200% of base salary during the year under review. The CEO's salary is below the upper quartile of a peer comparator group. Total combined variable reward paid during the year is considered excessive, exceeding the 200% recommended threshold. 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. The ratio of CEO pay compared to that of the average employee exceeds the recommended limit of 20:1 and is therefore not considered appropriate.

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*

*6. Re-elect Sue Clark - 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.

*Vote Cast: Oppose*

*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*

*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*

*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*

**WH SMITH PLC AGM - 26-01-2024**

*2. Approve the Remuneration Report*

Awards granted to Directors under the Company's variable remuneration schemes are considered excessive as they exceeded 200% of base salary during the year under review. The CEO's salary is below the upper quartile of a peer comparator group. Total combined variable reward paid during the year is considered excessive, exceeding the 200% recommended threshold. 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. The ratio of CEO pay compared to that of the average employee exceeds the recommended limit of 20:1 and is therefore not considered appropriate.

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*

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

PwC proposed. Non-audit fees represented 7.14% of audit fees during the year under review and 7.50% 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.

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*

## ON THE BEACH GROUP PLC AGM - 26-01-2024

### 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: 99.5, Abstain: 0.5, Oppose/Withhold: 0.0,

### 2. *Approve the Remuneration Report*

Awards made under all schemes during the year are not considered excessive as they do not exceed 200% of base salary. The CEO's salary is below the upper quartile of a peer comparator group. The total combined variable reward paid during the year falls below the 200% recommended threshold and is therefore not considered to be overly excessive. The balance of CEO realised 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. The ratio of CEO pay compared to that of the average employee falls below the recommended limit of 20:1 and is therefore not considered to be overly 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: 90.6, Abstain: 2.3, Oppose/Withhold: 7.1,

### 3. *Re-elect Richard Pennycook - 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: 97.4, Abstain: 0.5, Oppose/Withhold: 2.1,

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

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: 99.5, Abstain: 0.0, Oppose/Withhold: 0.5,*

### *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: 99.4, Abstain: 0.0, Oppose/Withhold: 0.6,*

### *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: 98.3, Abstain: 0.0, Oppose/Withhold: 1.7,*

### *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: 99.5, Abstain: 0.0, Oppose/Withhold: 0.5,*

## AVON PROTECTION PLC AGM - 26-01-2024

### 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: 99.8, Abstain: 0.2, Oppose/Withhold: 0.0,

### 2. *Approve the Remuneration Report*

All elements of the Single Total Remuneration Table are adequately disclosed. The CEO's salary is in the lower quartile of a peer comparator group. The total combined variable reward paid during the year amounts to 24.73%, it is noted that no LTIP vested. The ratio of CEO pay compared to that of the average employee falls below the recommended limit of 20:1 and is therefore not considered to be overly 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: 99.7, Abstain: 0.0, Oppose/Withhold: 0.2,

### 3. *Approve Remuneration Policy*

Directors are entitled to a dividend income which is accrued on share awards from the date of grant, once the awards vest. Dividend should be paid from the date awards vest onwards, and not backdated to the time of grant to include the performance period. The LTIP does not utilise non-financial metrics as a means of assessing performance. The absence of Non-financial parameters to assess Executives' long-term performance is considered contrary to best practice as such factors allow the remuneration policy to focus on the operational performance of the business as a whole and the individual roles of each of the senior executives in achieving that performance. Financial parameters are generally beyond an individual director's control. Directors are required to build a holding equivalent to at least 200% of salary, over a period of no more than five years. It is considered that a shareholding policy aligns the interests of the Executive to that of the shareholder. The Annual Bonus is deferred. Claw-back provisions are attached to the annual bonus. However, the deferral period attached to the Annual Bonus is not considered adequate. Half of the bonus should be deferred in shares over at least two years. The performance period for the LTIP is less than five years and is therefore not considered sufficiently long-term. Claw-back provisions are in place over long-term incentive plans.

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: 97.4, Abstain: 0.0, Oppose/Withhold: 2.6,

#### 6. *Re-elect Rich Cashin - Executive Director*

Executive Director. The CFO is the Executive Director with responsibility for overseeing the Company's sustainability agenda across the all parts of the business, which includes climate-related risks and opportunities, and chairs the Sustainability Steering Committee. As such, given the concerns over the Company's sustainability policies and practice, an abstain vote is recommended.

Vote Cast: *Abstain*

Results: For: 99.5, Abstain: 0.2, Oppose/Withhold: 0.3,

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

Chair. Not considered independent as the director was previously employed by the Company as Executive Chair from 30 September 2022 to 16 January 2023. 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. An Oppose vote is therefore recommended.

Vote Cast: *Oppose*

Results: For: 97.0, Abstain: 0.0, Oppose/Withhold: 3.0,

#### 8. *Re-elect Chloe Ponsonby - Senior Independent Director*

Senior Independent Director. Considered independent. The director is also member of the Remuneration Committee - there are concerns over a potential conflict of interest between her role as an Executive in a listed company and membership of the remuneration committee. An abstain vote is recommended.

Vote Cast: *Abstain*

Results: For: 99.1, Abstain: 0.2, Oppose/Withhold: 0.7,

#### 9. *Re-elect Bindi Foyle - Non-Executive Director*

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

Vote Cast: *Abstain*

Results: For: 99.1, Abstain: 0.2, Oppose/Withhold: 0.7,

#### 11. *Re-appoint KPMG as the Auditors 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: 99.8, Abstain: 0.0, Oppose/Withhold: 0.2,*

### *13. 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: 77.7, Abstain: 20.2, Oppose/Withhold: 2.1,*

### *14. 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. At the previous AGM the same resolution received significant opposition, and the Company has disclosed the measures taken to address any issues with shareholders. Owing to this, abstention is recommended.

*Vote Cast: Abstain*

*Results: For: 86.5, Abstain: 0.2, Oppose/Withhold: 13.3,*

### *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: 93.3, Abstain: 0.0, Oppose/Withhold: 6.7,*

### *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. 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: 94.2, Abstain: 0.0, Oppose/Withhold: 5.8,*

### *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: 99.7, Abstain: 0.0, Oppose/Withhold: 0.2,

#### *19. Amendment to the Rules of the LTIP*

It is proposed to make amendments to the rules of the LTIP. Under the plan, the CEO and other executives will be awarded rights to receive shares in exchange for part of the reinvestment of their salary. The shares resulting from reinvestment will be matched by free shares awarded by the Company. While re-investment of the bonus in shares, or payment of part or all of the bonus in shares, are considered positive practice, share matching plans are viewed as a de facto discount for executives to buy company shares. They can eventually result in excessive payments versus performance. On this basis, opposition is recommended.

Vote Cast: *Oppose*

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

### **AGRICULTURAL BANK OF CHINA EGM - 30-01-2024**

#### *1. Re-elect Gu Shu - 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*

#### *2. Re-elect Zhou Ji - Non-Executive Director*

Non-Executive Director. Not considered independent as Ms. Zhou currently works with Central Huijin Investment Ltd. (a substantial shareholder) and previously she was employed in the State Administration of Foreign Exchange, hence, she is considered connected with the MOF (a substantial shareholder). There is insufficient independent representation on the Board.

Vote Cast: *Oppose*

### **SSP GROUP PLC AGM - 30-01-2024**

#### *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*

## *2. Approve the Remuneration Report*

Awards granted to Directors under the Company's variable remuneration schemes equalled 166% of base salary. The CEO's salary is in the upper quartile of a peer comparator group. This raises concerns over potential excessiveness of the variable incentive schemes currently in operation, as the base salary determines the overall quantum of the remuneration structure. The ratio of CEO pay compared to that of the average employee exceeds the recommended limit of 20:1 and is therefore not considered appropriate.

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. Approve Remuneration Policy*

It is proposed to approve the new remuneration policy, there are no significant changes proposed. Maximum potential awards for both the Annual Bonus and LTIP are clearly stated. Total potential awards capable of vesting under the policy exceed the threshold of 200% of the highest paid Director's base salary. Directors are required to build a holding equivalent to at least 200% of salary, over a period of no more than five years. It is considered that a shareholding policy aligns the interests of the Executive to that of the shareholder. The Annual Bonus is deferred. Claw-back provisions are attached to the annual bonus. The performance period for the LTIP is less than five years and is therefore not considered sufficiently long-term. Claw-back provisions are in place over long-term incentive plans. However, recipients of the award are required to hold their vested shares for at least a further two years.

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*

## *6. Re-elect Mike Clasper - Chair (Non Executive)*

Chair. Independent upon appointment. 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, an abstain vote is recommended.

*Vote Cast: Abstain*

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

KPMG proposed. Non-audit fees represented 3.85% of audit fees during the year under review and 14.49% 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*

#### *19. 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*

#### *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*



**METRO INC. AGM - 30-01-2024****1.6. *Elect Stephanie Coyles***

Non-Executive Director and member of the Audit Committee. Not considered to be independent owing to a tenure of over nine years. It is considered that the Audit Committee should consist of a majority of independent directors, regardless of the independent representation on the Board as a whole, opposition is recommended.

*Vote Cast: Oppose*

**2. *Appoint EY as Auditors***

EY proposed. Non-audit fees represented 3.56% of audit fees during the year under review and 5.87% 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. As abstention is not a valid voting option for this meeting, opposition is advised.

*Vote Cast: Oppose*

**RENEW HOLDINGS PLC AGM - 30-01-2024****1. *Receive the Annual Report***

Strategic report meets guidelines. Adequate employment and environmental policies are in place and relevant, up-to-date, quantified, environmental reporting is disclosed. However, the Company failed to disclose the proportion of women in within the whole organisation. An abstain vote is recommended.

*Vote Cast: Abstain*

**10. *Approve the Remuneration Report***

All elements of the Single Total Remuneration Table are adequately 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*

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

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

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*

#### *14. 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*

#### *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 10% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. 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*

### **ACCENTURE PLC AGM - 31-01-2024**

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

Non-Executive Director. Considered independent. Although there are concerns over potential aggregate time commitments, this director has attended all Board and committee meetings during the year under review. The director's previous election received significant opposition, and the company has not disclosed the steps taken to address shareholder concerns. Owing to this, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 78.1, Abstain: 0.3, Oppose/Withhold: 21.7,

*1f. Elect Gilles C. Pélisson - Senior Independent Director*

Senior Independent Director. Not considered independent owing to a tenure that exceeds 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: 96.9, Abstain: 0.1, Oppose/Withhold: 3.0,

*1g. Elect Paula A. Price - Non-Executive Director*

Non-Executive Director, chair of the audit committee. Not considered independent owing to a tenure of over nine years. 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: 95.2, Abstain: 0.1, Oppose/Withhold: 4.7,

*1i. Elect Arun Sarin - Non-Executive Director*

Independent Non-Executive Director and Chair of the Nominating, Governance & Sustainability Committee. As the Chair of the Nominating, Governance & 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: 98.1, Abstain: 0.1, Oppose/Withhold: 1.8,

*1j. 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: 93.4, Abstain: 0.4, Oppose/Withhold: 6.2,

*1k. Elect Tracey T. Travis - 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 director's previous election received significant opposition, and the company has not disclosed the steps taken to address shareholder concerns. Owing to this, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 91.7, Abstain: 0.1, Oppose/Withhold: 8.2,

## *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: 90.5, Abstain: 0.4, Oppose/Withhold: 9.1,

## *4. Approval of Amended and Restated Accenture plc 2010 Employee Share Purchase Plan*

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. After allotment, shares will be restricted for three years, which is not considered to be sufficiently long term. 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: 98.8, Abstain: 0.1, Oppose/Withhold: 1.1,

## *5. 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: 94.0, Abstain: 0.2, Oppose/Withhold: 5.8,

## *7. 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. It is considered that shareholders should be allowed to vote on such resolutions annually. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 93.3, Abstain: 0.2, Oppose/Withhold: 6.6,

## **IMPERIAL BRANDS PLC AGM - 31-01-2024**

### *2. Approve the Remuneration Report*

Awards granted to Directors under the Company's variable remuneration schemes are considered excessive as they exceeded 200% of base salary during the year under review. The CEO's salary is in the upper quartile of a peer comparator group. This raises concerns over potential excessiveness of the variable incentive schemes currently in operation, as the base salary determines the overall quantum of the remuneration structure. The ratio of CEO pay compared to that of the average employee exceeds the recommended limit of 20:1 and is therefore not considered appropriate.

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. Approve Remuneration Policy*

Total potential awards capable of vesting under the policy may reach 550% of the highest paid Director's base salary. Directors are required to build a holding equivalent to at least 300% of salary, over a period of no more than five years. It is considered that a shareholding policy aligns the interests of the Executive to that of the shareholder. The Annual Bonus is deferred. The performance period for the LTIP is less than five years and is therefore not considered sufficiently long-term. However, recipients of the award are required to hold their vested shares for at least a further two years, which is welcomed. Claw-back provisions are in place over long-term incentive plans.

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*

### *13. 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*

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

EY proposed. Non-audit fees represented 5.68% of audit fees during the year under review and 6.33% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor.

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*

#### *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*

### **EVN AG AGM - 01-02-2024**

#### *5. Appoint the Auditors*

BDO Austria GmbH proposed. Non-audit fees represented 17.72% of audit fees during the year under review and 33.82% 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*

#### *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*

#### *7. 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*

### 9.1. *Transact Any Other Business: Additional Voting Instructions (Proposals from Management and Supervisory Board)*

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*

### 9.2. *Transact Any Other Business: Additional Voting Instructions (Shareholder Proposal)*

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*

## THE SAGE GROUP PLC AGM - 01-02-2024

### 2. *Approve the Remuneration Report*

Dividend accrual has been separately categorised which is welcome. Awards granted to Directors under the Company's variable remuneration schemes are considered excessive as they exceeded 200% of base salary during the year under review. The CEO's salary is in the upper quartile of a peer comparator group. This raises concerns over potential excessiveness of the variable incentive schemes currently in operation, as the base salary determines the overall quantum of the remuneration structure. Total combined variable reward paid during the year is considered excessive, exceeding the 200% recommended threshold. 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. The ratio of CEO pay compared to that of the average employee exceeds the recommended limit of 20:1 and is therefore not considered appropriate.

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: 98.0, Abstain: 0.3, Oppose/Withhold: 1.7,

### 10. *Re-elect Annette Court - Senior Independent Director*

Senior Independent Director. Considered independent. In addition, Ms. Court is 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.

Vote Cast: *Oppose*

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

#### *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: 99.6, Abstain: 0.0, Oppose/Withhold: 0.4,*

#### *18. 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: 89.1, Abstain: 0.1, Oppose/Withhold: 10.9,*

#### *19. 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: 92.2, Abstain: 0.4, Oppose/Withhold: 7.4,*

#### *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: 99.6, Abstain: 0.0, Oppose/Withhold: 0.4,*



## DISTRIBUCION INTEGRAL LOGISTA HOLDINGS AGM - 02-02-2024

### 6.1. *Elect David Tilak - 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*

### 6.2. *Elect Julia Lefèvre - 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*

### 6.8. *Elect Richard Guy Hathaway - 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. *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*

### 8. *Approve the Long-Term Incentive Plan 2024-2026*

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*

### 9. *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 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*

## **THYSSENKRUPP AG AGM - 02-02-2024**

### *3.1. Approve Discharge of Management Board Member Miguel Lopez Borrego*

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*

### *3.2. Approve Discharge of Management Board Member Oliver Burkhard*

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*

### *3.3. Approve Discharge of Management Board Member Klaus Keysberg*

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*

### *3.4. Approve Discharge of Management Board Member Martina Merz*

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*

### *4.1. Approve Discharge of Supervisory Board Member Siegfried Russwurm*

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.

Furthermore, despite having some climate targets, the company does not have both a clear commitment to net zero by 2050 and an adequate short-term target. These targets are considered essential for companies that are strategically important for the transition to net zero. Having a target for net zero by 2050 at the latest shows overall commitment of the company to adequately manage climate risks. Short term emission reductions are required to keep alive the ambition of holding global warming to 1.5 degrees while short term targets are also critical for accountability purposes. Given the time passed since the Paris Agreement and the scale investment risks posed by climate change not having both adequate short term target and a net zero by 2050 commitment is considered to fall short of best practice and poses a major risk for investors. As such, an oppose vote is recommended.

*Vote Cast: Oppose*

#### *4.2. Approve Discharge of Supervisory Board Member Juergen Kerner*

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*

#### *4.3. Approve Discharge of Supervisory Board Member Birgit Behrendt*

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*

#### *4.4. Approve Discharge of Supervisory Board Member Patrick Berard*

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*

#### *4.5. Approve Discharge of Supervisory Board Member Stefan Buchner*

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*

#### *4.6. Approve Discharge of Supervisory Board Member Wolfgang Colberg*

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*

#### *4.7. Approve Discharge of Supervisory Board Member Ursula Gather*

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*

#### *4.8. Approve Discharge of Supervisory Board Member Angelika Gifford*

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*

#### *4.9. Approve Discharge of Supervisory Board Member Bernhard Guenther*

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*

#### *4.10. Approve Discharge of Supervisory Board Member Achim Hass*

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*

#### *4.11. Approve Discharge of Supervisory Board Member Tanja Jacquemin*

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*

#### [4.12. Approve Discharge of Supervisory Board Member Daniela Jansen](#)

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*

#### [4.13. Approve Discharge of Supervisory Board Member Christian Julius](#)

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*

#### [4.14. Approve Discharge of Supervisory Board Member Thorsten Koch](#)

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*

#### [4.15. Approve Discharge of Supervisory Board Member Katrin Krawinkel](#)

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*

#### [4.16. Approve Discharge of Supervisory Board Member Ingo Luge](#)

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*

#### [4.17. Approve Discharge of Supervisory Board Member Tekin Nasikkol](#)

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*

*4.18. Approve Discharge of Supervisory Board Member Verena Volpert*

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*

*4.19. Approve Discharge of Supervisory Board Member Ulrich Wilsberg*

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*

*4.20. Approve Discharge of Supervisory Board Member Kirstin Zeidler*

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*

*4.21. Approve Discharge of Supervisory Board Member Friederike Helfer*

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*

*4.22. Approve Discharge of Supervisory Board Member Peter Remmler*

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*

*4.23. Approve Discharge of Supervisory Board Member Dirk Sievers*

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*

#### *4.24. Approve Discharge of Supervisory Board Member Isolde Wuerz*

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*

#### *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 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*

#### *7. Elect Verena Volpert to Supervisory Board*

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*

#### *8. 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% per director 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*

### **DONGFANG ELECTRIC CORP LTD EGM - 05-02-2024**

#### *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 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 - 05-02-2024

##### 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 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*

#### QINETIQ GROUP PLC EGM - 06-02-2024

##### 1. *Authorise Share Repurchase*

**Introduction & Background:** The Company's strategy to deliver long-term sustainable growth is unchanged and underpinned by its disciplined capital allocation policy. As explained at the Investor Seminar in October 2023, the Company continuously evaluate the deployment of its capital to maximise value through organic and inorganic investments and to deliver healthy returns for its shareholders, whilst maintaining a prudent balance sheet. During the third quarter the Company continued to manage its pipeline of inorganic opportunities, but at this present time no potential acquisitions meet its rigorous strategy-led and financial criteria. Given the strength of the group's balance sheet, the highly cash generative nature of the business and the Board's view of the current undervaluation of the group, the Board has concluded that now represents a compelling time to return excess capital to shareholders. The Company announce the launch of a GBP 100 million share buyback programme in February 2024, subject to shareholder approval, that it expect to complete over the next 12 months.

**Proposal:** The Company is proposing to seek the authority to purchase ordinary shares in the capital of the Company (Ordinary Shares) up to a limit of 28,937,856 Ordinary Shares (the Buyback Authority), which represents approximately 5% of its issued ordinary share capital. If granted, the directors of the Company will exercise the Buyback Authority only in connection with the programme to purchase Ordinary Shares up to a maximum consideration of GBP 100 million.

**Rationale:** The proposed share buyback programme represents an attractive use of our capital to drive shareholder value, whilst maintaining leverage less than 1.5x (net debt/EBITDA) and maintaining the financial flexibility to invest in the ongoing execution of our strategy to deliver sustainable growth and attractive returns.

**Recommendation:** The authority is limited to 5% of the Company's issued share capital and is connected with the announced a GBP 100 million share buyback programme. 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,

#### EMERSON ELECTRIC CO. AGM - 06-02-2024

##### 1d. *Elect James S. Turley - Chair (Non Executive)*

Non-independent Non-Executive Chair. Not independent owing to a tenure exceeding 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 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 such, given the concerns over the Company's sustainability policies and practice, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 83.4, Abstain: 0.2, Oppose/Withhold: 16.4,

#### *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: 93.3, Abstain: 0.5, Oppose/Withhold: 6.2,

#### *4. Approve the Emerson Electric 2024 Equity 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: 95.2, Abstain: 0.4, Oppose/Withhold: 4.4,

#### *5. Appoint the Auditors*

KPMG proposed. Non-audit fees represented 1.83% of audit fees during the year under review and 0.59% 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: 94.9, Abstain: 0.2, Oppose/Withhold: 4.9,

### **GRAINGER PLC AGM - 07-02-2024**

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

Dividend accrual has been separately categorised which is welcome. Awards granted to Directors under the Company's variable remuneration schemes are considered excessive as they exceeded 200% of base salary during the year under review. The CEO's salary is below the upper quartile of a peer comparator group. The total combined variable reward paid during the year falls below the 200% recommended threshold and is therefore not considered to be overly excessive. The balance of CEO realised 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. The ratio of CEO pay compared to that of the average employee exceeds the recommended limit of 20:1 and is therefore not considered appropriate.

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: 93.0, Abstain: 3.9, Oppose/Withhold: 3.1,*

#### *11. Re-appoint KPMG LLP as the Auditors of the Company*

KPMG proposed. No non-audit fees were paid for the year under review and non-audit fees represents 0.66% 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. 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,*

#### *14. 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: 94.7, Abstain: 0.0, Oppose/Withhold: 5.3,*

#### *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 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: 92.4, Abstain: 2.1, Oppose/Withhold: 5.5,

#### 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: 99.4, Abstain: 0.1, Oppose/Withhold: 0.5,

### **FUTURE PLC AGM - 07-02-2024**

#### 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: 99.5, Abstain: 0.5, Oppose/Withhold: 0.0,

#### 3. *Approve the Remuneration Report*

It is proposed to approve the remuneration report. No variable remuneration (either short- or long-term) was paid during the year. However, at the 2023 Annual General Meeting the resolution for the remuneration report received significant opposition of 15.82% of the votes and the Company did not disclosed information as to how address the issue with its shareholders. Therefore, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 80.1, Abstain: 0.6, Oppose/Withhold: 19.3,

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

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. in addition, on the 2023 Annual General Meeting the re-election of Mr. Richard Huntingford received significant opposition of 10.26% of the votes and the Company did not disclosed information as to how address the issue with its shareholders. Overall, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 92.2, Abstain: 0.0, Oppose/Withhold: 7.7,

#### 5. *Re-elect Jon Steinberg - 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: 96.5, Abstain: 0.0, Oppose/Withhold: 3.5,

*7. Re-elect Mark Brooker - Senior Independent Director*

Senior Independent Director. Considered independent. It is noted that in the 2023 Annual General Meeting the re-election of Mr. Brooker received significant opposition of 17.53% of the votes. The Company did not disclose information as to how address the issue with its shareholders. Therefore, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 82.7, Abstain: 0.5, Oppose/Withhold: 16.9,

*11. Re-elect Angela Seymour-Jackson - Non-Executive Director*

Independent Non-Executive Director. It is noted that in the 2023 Annual General Meeting the re-election of Ms. Angela Seymour-Jackson received significant opposition of 18.89% of the votes. The Company did not disclose information as to how address the issue with its shareholders. Therefore, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 88.2, Abstain: 0.5, Oppose/Withhold: 11.3,

*17. 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: 90.3, Abstain: 0.0, Oppose/Withhold: 9.6,

*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 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: 88.7, Abstain: 0.0, Oppose/Withhold: 11.3,

*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: 99.5, Abstain: 0.0, Oppose/Withhold: 0.5,

**ASOS PLC AGM - 07-02-2024**

*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: 99.7, Abstain: 0.1, Oppose/Withhold: 0.1,*

#### *11. Elect Anna Maria Rugarli - Non-Executive Director*

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: 99.1, Abstain: 0.1, Oppose/Withhold: 0.8,*

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

PwC proposed. Non-audit fees were paid for the year under review and non-audit fees represents 51.85% of audit fees 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.

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

#### *14. 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: 99.7, Abstain: 0.1, Oppose/Withhold: 0.2,*

### 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: 99.7, Abstain: 0.0, Oppose/Withhold: 0.3,

## COMPASS GROUP PLC AGM - 08-02-2024

### 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: 98.9, Abstain: 1.0, Oppose/Withhold: 0.1,

### 2. Approve the Remuneration Report

Dividend accrual has been separately categorised which is welcome. Awards granted to Directors under the Company's variable remuneration schemes are considered excessive as they exceeded 200% of base salary during the year under review. The Company received significant opposition at the last AGM to its remuneration report. However, it is clear from Company reporting that adequate measures have been taken in order to address shareholder dissent. The CEO's salary is in the upper quartile of a peer comparator group. This raises concerns over potential excessiveness of the variable incentive schemes currently in operation, as the base salary determines the overall quantum of the remuneration structure. Total combined variable reward paid during the year is considered excessive, exceeding the 200% recommended threshold. The balance of CEO realised 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. The ratio of CEO pay compared to that of the average employee exceeds the recommended limit of 20:1 and is therefore not considered appropriate.

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: 95.6, Abstain: 0.1, Oppose/Withhold: 4.3,

### 5. Elect Leanne Wood - Non-Executive Director

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

Vote Cast: *Abstain*

Results: For: 99.4, Abstain: 0.4, Oppose/Withhold: 0.2,

**9. Re-elect Stefan Bomhard - Non-Executive Director**

Independent Non-Executive Director and member of the Remuneration Committee. 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: 97.6, Abstain: 0.4, Oppose/Withhold: 2.0,

**10. Re-elect John Bryant - Non-Executive Director**

Independent Non-Executive Director. In addition, Mr. Bryant is 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.

Vote Cast: *Oppose*

Results: For: 83.0, Abstain: 7.8, Oppose/Withhold: 9.1,

**12. Re-elect Anne-Francoise Nesmes - Senior Independent Director**

Senior Independent Director. Considered independent and member of the Remuneration Committee. There are concerns over a potential conflict of interest between her role as an Executive in a listed company and membership of the remuneration committee. An abstain vote is recommended.

Vote Cast: *Abstain*

Results: For: 98.1, Abstain: 0.4, Oppose/Withhold: 1.5,

**14. Re-elect Nelson Silva - 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 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: 97.6, Abstain: 0.4, Oppose/Withhold: 2.0,

**15. Re-elect Ireena Vittal - Designated Non-Executive**

Independent Designated Non-Executive. However, the company received significant opposition (12.65 %) at AGM 2023. 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: 97.4, Abstain: 0.4, Oppose/Withhold: 2.1,

**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: 99.1, Abstain: 0.0, Oppose/Withhold: 0.8,

#### *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: 95.6, Abstain: 0.4, Oppose/Withhold: 3.9,

#### *22. 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,

### **SIEMENS AG AGM - 08-02-2024**

#### *4.1. Approve the Discharge of Supervisory Board Member Jim Snabe*

Standard proposal. Chair of the Supervisory Committee. The company's sustainability policies and practice are not considered to be adequate in order to minimize material risks linked to sustainability. Despite having some climate targets, the company has neither a clear commitment to net zero by 2050 or an adequate short-term target. These targets are considered essential for companies that are strategically important for the transition to net zero. Having a target for net zero by 2050 at the latest shows overall commitment of the company to adequately manage climate risks. Short term emission reductions are required to keep alive the ambition of holding global warming to 1.5 degrees while short term targets are also critical for accountability purposes. Given the time passed since the Paris Agreement and the scale investment risks posed by climate change neither having an adequate short term target nor a net zero by 2050 commitment is considered to fall short of best practice and poses a major risk for investors. As such, an oppose vote is recommended.



Vote Cast: *Oppose*

Results: For: 98.0, Abstain: 0.0, Oppose/Withhold: 2.0,

#### 6. *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*

Results: For: 86.4, Abstain: 0.0, Oppose/Withhold: 13.6,

#### 7. *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 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: 86.5, Abstain: 0.0, Oppose/Withhold: 13.5,

#### 8. *Approve Creation of pool of capital with exclusion of pre-emptive rights*

The Authorized Capital 2019 resolved on by the Annual Shareholders' Meeting on January 30, 2019, under Agenda Item 6 and provided for in Section 4 (5) of the Articles of Association expires on January 29, 2024. The proposed amount is to be capped at 10% and will last until 7 February 2029. It is considered that shareholders should have the occasion to vote on such resolutions annually.

Vote Cast: *Oppose*

Results: For: 95.3, Abstain: 0.0, Oppose/Withhold: 4.7,

#### 9. *Approve Issue of Warrants/Bonds with Warrants Attached/Convertible Bonds without Preemptive Rights*

The authorization to issue convertible bonds and/or warrant bonds resolved on by the Annual Shareholders' Meeting on January 30, 2019, under Agenda Item 7 will expire on January 29, 2024. The managing board will be authorised to issue convertible and/or warrant bonds up to EUR 15,000,000,000. The authorization for the issue of bonds shall expire on 7 February 2029. Therefore, 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.

Vote Cast: *Oppose*

Results: For: 96.4, Abstain: 0.0, Oppose/Withhold: 3.6,

### **EASYJET PLC AGM - 08-02-2024**

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

Dividend accrual has been separately categorised which is welcome. Awards granted to Directors under the Company's variable remuneration schemes are considered excessive as they exceeded 200% of base salary during the year under review. The Company received significant opposition at the last AGM to its remuneration report. However, it is clear from Company reporting that adequate measures have been taken in order to address shareholder dissent. The CEO's salary is below the upper quartile of a peer comparator group. The total combined variable reward paid during the year falls below the 200% recommended threshold and is therefore not

considered to be overly excessive. The ratio of CEO pay compared to that of the average employee exceeds the recommended limit of 20:1 and is therefore not considered appropriate.

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: 91.7, Abstain: 0.0, Oppose/Withhold: 8.2,*

#### *14. 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: 95.2, Abstain: 0.1, Oppose/Withhold: 4.8,*

#### *18. 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: 88.4, Abstain: 0.1, Oppose/Withhold: 11.5,*

#### *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: 93.4, Abstain: 0.0, Oppose/Withhold: 6.6,

## **BENCHMARK HOLDINGS PLC AGM - 08-02-2024**

### *2. Approve the Remuneration Report*

It is proposed to the shareholders to approve the remuneration report for year under review. The Executive directors were paid salary, benefits, Annual Bonus and LTIP award.

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 0.00% of audit fees during the year under review and 0.29% 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 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*

#### *6. Re-elect Kristian Eikre - Non-Executive Director*

Non-Executive Director. Not considered independent as 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)*

Chair. The Chair is not considered to be independent because Mr. George serves in executive capacity in the Company the period 2019 to 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. Elect Jonathan Esfandi - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is considered to be connected with significant shareholder, JNE Partners LLP, where is Founder and Managing Partner. There is insufficient independent representation on the Board. Therefore opposition is recommended.

Vote Cast: *Oppose*

#### *11. Elect Torgeir Svae - Non-Executive Director*

Non-Executive Director. Not considered independent shareholder representative of Kverva, a significant shareholder of the Company holding 22.35% of the Company's issued share capital. There is insufficient independent representation on the Board. Therefore, opposition is recommended.

Vote Cast: *Oppose*

#### *12. Elect Marie Danielsson - Non-Executive Director*

Non-Executive Director. Not considered independent as the Director is shareholder representative 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. Therefore, opposition is recommended.

Vote Cast: *Oppose*

#### *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*

### 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*

## QLIRO AB EGM - 09-02-2024

### 7. *Approve Long-Term Incentive Plan 2024*

The Board proposes the approval of a new executive incentive plan, entailing an increase in the share capital of not more than SEK 1,440,000 if all warrants are exercised. Under the plan, participants will be allotted shares or rights to shares. Performance targets 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*

## VICTREX PLC AGM - 09-02-2024

### 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: 95.5, Abstain: 4.5, Oppose/Withhold: 0.1,

### 4. *Re-elect Vivienne Cox - Chair (Non Executive)*

Chair. Independent upon appointment. It is noted that in the 2023 Annual General Meeting the re-election of Ms. Cox received significant opposition of 12.02% of the votes. The Company did not disclosed information as to how address the issue with its shareholders. Therefore, an abstain vote is recommended.

Vote Cast: *Abstain*

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

### 5. *Re-elect Jane Toogood - Non-Executive Director*

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: 98.4, Abstain: 0.5, Oppose/Withhold: 1.0,*

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

PwC proposed. No non-audit fees were paid for the year under review and non-audit fees represents 2.06% 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. 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: 0.6,*

#### *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 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: 93.2, Abstain: 0.0, Oppose/Withhold: 6.8,*

#### *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: 99.4, Abstain: 0.0, Oppose/Withhold: 0.6,*

## MEARS GROUP PLC EGM - 12-02-2024

### 1. *Authorise Share Repurchase*

**Introduction & Background:** At the 2023 Annual General Meeting, shareholders approved the purchase of up to 11,103,647 Ordinary Shares, which represented 10% of the Company's issued share capital as at 10 May 2023. It was noted at the time that the Directors intended to use this authority to adopt a recurring programme of share buybacks. Since the 2023 AGM, the Company has repurchased 11,103,647 Ordinary Shares under two buyback programmes and, accordingly, the Company has now fully utilised the AGM Buyback Authority. The Directors intend to renew this authority at the Company's next annual general meeting, which is expected to be held in June 2024.

**Proposal:** It is being proposed to seek additional authority in order to purchase up to 10% of the Company's current issued share capital in the market for the period between the General Meeting and the 2024 Annual General Meeting.

**Rationale:** The Directors continue to believe in the attractiveness of share buybacks as a means of returning excess cash to Shareholders and, as announced on 11 January 2024, wish to seek additional authority to purchase shares in order to provide the Board with sufficient flexibility in delivering against its capital allocation strategy. The Directors will exercise this authority only when to do so would be in the best interests of the Company and of its shareholders generally and could be expected to result in an increase in earnings per share of the Company. Shares that are purchased by the Company must either be cancelled or held in treasury. The Directors' intention is to cancel the shares purchased pursuant to the buyback programme.

**Recommendation:** 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: 99.5, Abstain: 0.0, Oppose/Withhold: 0.5,

## JPMORGAN INDIAN I.T. PLC AGM - 13-02-2024

### 1. *Receive the Annual Report*

Although the company has not paid a dividend during the year, it is noted that there is also no vote on the dividend policy.

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.

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. On this basis, opposition is recommended.

Vote Cast: *Oppose*

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

### 5. *Re-elect Jasper Judd - Non-Executive Director*

Non-Executive Director, Chair of the Audit Committee. Not considered independent owing to a tenure of nine years in the Board. It is considered that audit committees should be comprised exclusively of independent members, including the chair. Therefore, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 92.7, Abstain: 0.1, Oppose/Withhold: 7.2,

#### 8. *Re-appoint PricewaterhouseCoopers LLP as Independent Auditor of the Company and to authorise the Directors to determine their remuneration*

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.

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: 96.8, Abstain: 0.1, Oppose/Withhold: 3.1,

#### 9. *Approve the Continuation of the Company*

It is proposed that the Company continue as an investment trust for a period expiring at the conclusion of the Company's annual general meeting to be held in five years. The average discount over the year was 19.3%, and over three years, 18.3%. The decline in performance and the discount to NAV which has been above 10% for each of the last three years, raises questions about its viability.

The continuation of an investment trust is not supported if the trust's year end share price has been at a discount to NAV of more than 10% for each of the past three fiscal year ends unless the board has provided a clear, cogent and compelling rationale, within the context of its overall investment strategy, in respect of the discount and the actions it is taking to address the situation. Given the Trust's significant discount to NAV over the past three years and the absence of appropriate justification, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 96.1, Abstain: 0.1, Oppose/Withhold: 3.8,

#### 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, nor a company secretary in the employ of the fund manager), we would like to see a public statement: - addressing whether any part of the discount can be explained by capitalisation of the costs (the total costs as in the Key Investor information Document - 'KID'), - 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: 94.4, Abstain: 0.0, Oppose/Withhold: 5.6,

## **GRAINCORP LTD AGM - 14-02-2024**

### *2. 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 disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Furthermore, there are no claw back clauses in place, which is against best practices. Opposition is recommended.

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 170,008 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 1,210,000, which would correspond to more than 200% of the fixed salary, together with other components of the variable remuneration, which is considered to be excessive.

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*

## **TRITAX EUROBOX PLC AGM - 14-02-2024**

### *1. Receive the Annual Report*

The dividend policy was put forward for shareholder's approval, 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: 99.2, Abstain: 0.0, Oppose/Withhold: 0.8,

### *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 during the year under review. The increase on the Board fees was within the limit of 10%. Overall, the remuneration practices and the level of fees paid to the Board are considered acceptable. However, in the 2023

Annual General Meeting the approval of the Remuneration Report received significant opposition of 11.83% of the votes. The Company did not disclosed information as to how address the issue with its shareholders, therefore abstention is recommended.

Vote Cast: *Abstain*

Results: For: 98.6, Abstain: 0.8, Oppose/Withhold: 0.6,

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

Independent Non-Executive Chair. It is noted that on the 2023 Annual General Meeting the re-election of Mr. Orr received significant opposition of 15.31% of the votes. The Company did not disclosed information as to how address the issue with its shareholders, therefore abstention is recommended.

Vote Cast: *Abstain*

Results: For: 85.1, Abstain: 3.3, Oppose/Withhold: 11.6,

### 5. *Re-elect Keith Mansfield - Non-Executive Director*

Independent Non-Executive Director. It is noted that on the 2023 Annual General Meeting the re-election of Mr. Mansfield received significant opposition of 10.28% of the votes. The Company did not disclosed information as to how address the issue with its shareholders, therefore abstention is recommended.

Vote Cast: *Abstain*

Results: For: 86.6, Abstain: 3.3, Oppose/Withhold: 10.1,

### 7. *Re-elect Sarah Whitney - Senior Independent Director*

Senior Independent Director. Considered independent. Although there are concerns over potential aggregate time commitments, this director has attended all Board and committee meetings during the year under review. It is noted that on the 2023 Annual General Meeting the re-election of Ms. Whitney received significant opposition of 10.28% of the votes. The Company did not disclosed information as to how address the issue with its shareholders, therefore abstention is recommended.

Vote Cast: *Abstain*

Results: For: 84.0, Abstain: 3.3, Oppose/Withhold: 12.7,

### 8. *Re-appoint KPMG LLP as the Company's Auditor.*

KPMG proposed. Non-audit fees represented 7.53% of audit fees during the year under review and 11.44% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor.

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,

### 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 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: 97.9, Abstain: 0.0, Oppose/Withhold: 2.1,

### 14. *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: 0.1, Oppose/Withhold: 0.8,

## **GOOCH & HOUSEGO PLC AGM - 21-02-2024**

### 2. *Approve the Remuneration Report*

It is proposed to approve the Remuneration Report for the year under review. 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 Gary Bullard - Chair (Non Executive)*

Chair. Independent upon appointment.

Regardless of local practice or recommendations, or average percentage of diversity on the boards of local listed companies, it is considered that gender diversity should be explicitly taken into account when appointing directors. Namely, it is considered that at least one-third of the board should be reserved for the less represented gender. There is an increasing amount of research that suggests that more diverse companies actually perform better than less diverse companies, and they lead to higher returns. At this time, diversity on the board is below the above-mentioned level; nevertheless, the company has stated the 33% threshold will be achieved by September 2024, which is considered acceptable.

*Vote Cast: Abstain*

#### *11. Re-appoint PwC as the 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 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*

#### *15. 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*

## ARISTOCRAT LEISURE LTD AGM - 22-02-2024

### [3. 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 137,871 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 USD 3,650,000, which would correspond to more than 200% of the fixed salary, together with other components of the variable remuneration, which is considered to be excessive.

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*

### [4. Approve Fees Payable to the Board of Directors](#)

It is proposed to approve the NED Rights Plan under which each Non-Executive Director may choose to sacrifice a portion of their base director's fees, which will be used to acquire share rights which will vest and be automatically exercised (and converted into shares in the Company) around 6-12 months after they are granted. It is considered that NED should receive only fixed fees as variable compensation may align them with short term interests and not with long term supervisory duties. Therefore opposition is recommended.

Vote Cast: *Oppose*

### [5. 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 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*

## INFINEON TECHNOLOGIES AG AGM - 23-02-2024

### [4.1. Approve Discharge of Supervisory Board member Herbert Diess for Fiscal Year 2023](#)

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 Board-level sustainability committee, opposition is recommended on the discharge of the Chair.

Vote Cast: *Oppose*

Results: For: 96.8, Abstain: 0.0, Oppose/Withhold: 3.2,

### [4.5. Approve Discharge of Supervisory Board member Friedrich Eichiner for Fiscal Year 2023](#)

Standard resolution. As Chair of the Audit committee the director is responsible for the lack of an 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: 96.8, Abstain: 0.0, Oppose/Withhold: 3.2,*

#### *7. 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 performance criteria for 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: 99.0, Abstain: 0.0, Oppose/Withhold: 1.0,*

#### *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: 93.6, Abstain: 0.0, Oppose/Withhold: 6.4,*

### **CHEMRING GROUP PLC AGM - 23-02-2024**

#### *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: 98.9, Abstain: 1.1, Oppose/Withhold: 0.0,*

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

Awards granted to Directors under the Company's variable remuneration schemes are considered excessive as they exceeded 200% of base salary during the year under review. The CEO's salary is below the upper quartile of a peer comparator group. Total combined variable reward paid during the year is considered excessive, exceeding the 200% recommended threshold. The balance of CEO realised 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. The ratio of CEO pay compared to that of the average employee exceeds the recommended limit of 20:1 and is therefore not considered appropriate.

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 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. In addition, it is noted that, on the 2023 Annual General Meeting the re-election of Mr. Carl-Peter Forster received significant opposition of 11.92% of the votes and the Company did not disclose information as to how address the issue with its shareholders. Furthermore, 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. Overall, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 87.7, Abstain: 0.1, Oppose/Withhold: 12.2,

#### 6. *Re-elect Laurie Bowen - Designated Non-Executive*

Independent Non-Executive Director and 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.

In addition, Ms. Laurie Bowen 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.

Vote Cast: *Oppose*

Results: For: 97.9, Abstain: 0.1, Oppose/Withhold: 2.1,

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

Independent Non-Executive Director. It is noted that, Mrs Fiona MacAulay on the 2023 Annual General Meeting received significant opposition on her re-election of 18.99% of the votes. The Company did not disclosed information as to how address the issue with its shareholders. Therefore, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 97.8, Abstain: 0.9, Oppose/Withhold: 1.3,

#### 13. *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: 99.1, Abstain: 0.0, Oppose/Withhold: 0.9,

### 17. *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: 90.4, Abstain: 0.0, Oppose/Withhold: 9.6,

### 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 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: 89.7, Abstain: 0.0, Oppose/Withhold: 10.3,

### 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: 99.0, Abstain: 0.0, Oppose/Withhold: 0.9,

## **SIEMENS ENERGY AG AGM - 26-02-2024**

### 3.1. *Approve Discharge Of Management Board Member Christian Bruch For Fiscal Year 2022/23*

Despite having some climate targets, the company has neither a clear commitment to net zero by 2050 or an adequate short-term target. These targets are considered essential for companies that are strategically important for the transition to net zero. Having a target for net zero by 2050 at the latest shows overall commitment of the company to adequately manage climate risks. Short term emission reductions are required to keep alive the ambition of holding global warming to 1.5 degrees while short term targets are also critical for accountability purposes. Given the time passed since the Paris Agreement and the scale investment risks posed by climate



change neither having an adequate short term target nor a net zero by 2050 commitment is considered to fall short of best practice and poses a major risk for investors. As such, an oppose vote is recommended.

Vote Cast: *Oppose*

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

#### 4.1. *Approve Discharge Of Supervisory Board Member Joe Kaeser For Fiscal Year 2022/23*

Standard proposal. Despite having some climate targets, the company has neither a clear commitment to net zero by 2050 or an adequate short-term target. These targets are considered essential for companies that are strategically important for the transition to net zero. Having a target for net zero by 2050 at the latest shows overall commitment of the company to adequately manage climate risks. Short term emission reductions are required to keep alive the ambition of holding global warming to 1.5 degrees while short term targets are also critical for accountability purposes. Given the time passed since the Paris Agreement and the scale investment risks posed by climate change neither having an adequate short term target nor a net zero by 2050 commitment is considered to fall short of best practice and poses a major risk for investors. As such, an oppose vote is recommended.

Vote Cast: *Oppose*

Results: For: 97.0, Abstain: 0.0, Oppose/Withhold: 3.0,

#### 6. *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*

Results: For: 92.8, Abstain: 0.0, Oppose/Withhold: 7.2,

#### 11. *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 25, 2029. 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: 95.8, Abstain: 0.0, Oppose/Withhold: 4.2,

### **DEERE & COMPANY AGM - 28-02-2024**

#### 1g. *Elect John C. May - 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: 92.9, Abstain: 0.5, Oppose/Withhold: 6.6,

*1c. Elect Alan C. Heuberger - Non-Executive Director*

Non-Executive Director and member of the Audit Committee. Not considered to be independent as as the director is considered to be connected with a significant shareholder: Cascade Investment. It is considered that the Audit Committee should consist of a majority of independent directors. Due to the insufficient independent representation on the Audit Committee, and regardless of the independent representation on the Board as a whole, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 99.4, Abstain: 0.2, Oppose/Withhold: 0.4,

*1e. Elect Michael O. Johanns - 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: 97.5, Abstain: 0.2, Oppose/Withhold: 2.3,

*1f. Elect Clayton M. Jones - Non-Executive Director*

Non-Executive Director and Chair of the Corporate Governance Committee. Not considered independent owing to a tenure of over nine years. As the Chair of the 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: 93.8, Abstain: 0.2, Oppose/Withhold: 6.0,

*1h. Elect Gregory R. Page - Non-Executive Director*

Non-Executive Director and member of the Audit Committee. Not considered to be independent due to a tenure of over 9 years. It is considered that the Audit Committee should consist of a majority of independent directors. Due to the insufficient independent representation on the Audit Committee, and regardless of the independent representation on the Board as a whole, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 94.2, Abstain: 0.2, Oppose/Withhold: 5.6,

*1i. Elect Sherry M. Smith - Non-Executive Director*

Non-Executive Director and member of the Audit Committee. Not considered to be independent due to a tenure of over 9 years. It is considered that the Audit Committee should consist of a majority of independent directors. Due to the insufficient independent representation on the Audit Committee, and regardless of the independent representation on the Board as a whole, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 95.8, Abstain: 0.2, Oppose/Withhold: 4.0,

*1k. Elect Sheila G. Talton - 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: 97.5, Abstain: 0.2, Oppose/Withhold: 2.3,

### 1a. *Elect Leanne G. Caret - Non-Executive Director*

Non-Executive Director, chair of the audit committee. At the company, the Audit Committee is not alerted to and does not oversee cases that come through the external whistleblowing hotline. This 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: 97.8, Abstain: 0.5, Oppose/Withhold: 1.7,

### 2. *Advisory Vote on Executive Compensation ("say-on-pay")*

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: 92.4, Abstain: 0.4, Oppose/Withhold: 7.2,

### 3. *Ratification of the appointment of Deloitte & Touche LLP as Deere's independent registered public accounting firm for fiscal 2024*

Deloitte proposed. Non-audit fees represented 1.15% of audit fees during the year under review and 0.84% 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: 0.6, Oppose/Withhold: 5.3,

### 4. *Shareholder Resolution: Customer and Company Sustainability Congruency Report*

**Proponent's argument:** National Legal and Policy Center propose that Deere & Company "publish a report, at reasonable expense, analyzing the congruency of the Company's policies in support of greenhouse gas reduction and renewable energy use, with those priorities' effects on the ongoing viability of the industries that constitute the vast majority of the Company's revenue base – and therefore Deere's own future... Other than energy extraction and transportation, perhaps no other industries have been targeted by alarmist pressure groups as these serviced by Deere have. Yet rather than preserve and protect them from such assaults – which produce nothing beneficial environmentally or economically – instead the Company embraces their hostile agenda both in rhetoric and in action. In its operations, Deere promotes its compliance with this agenda with what it has branded as "Leap Ambitions..." The Company's perception of the "science" and its approach to "solutions" are both deeply flawed, and severely damage the farm, forestry, and construction/mining sectors. The expansion of costly wind and solar energy require massive swaths of land, much of which is converted from agricultural use or necessitates clear-cutting of forests. Several studies have shown that wind farms raise ground level temperatures, which could become a significant problem as more are built (as is projected). Deere's use of the term "equivalent" denotes participation in offsets or credits schemes, which are widely viewed as scams. And the 1.5C goal is a target established by political operatives and sycophantic media, not scientific expertise. There is little doubt that politically-driven decarbonization plans cause significant hardships to Deere's core client industries."

**Company's response:** The board recommended a vote against this proposal. "We announced our Leap Ambitions in 2022, which are focused goals that measure the results of this operating model and are designed to boost economic value and sustainability for our customers. We believe we have made significant progress in helping our customers achieve better outcomes with fewer resources... Even the greenhouse gas emission reduction target in the Leap Ambitions could benefit the industries in which we operate and our customers beyond simply decreasing CO2e emissions. For example, we are working to develop a more efficient internal combustion engine that would burn less fuel per unit of work than a standard 6.8L engine and an updated 13.6L engine with performance improvements and reduced fuel consumption over previous models. We believe these more efficient engines could help our customers improve profitability and productivity by saving both fuel and

time. Our sustainability-related goals are designed to positively impact our customers and help support, rather than detract from, the ongoing viability and sustainability of their industries. We are working to improve our customers' profitability by reducing the amount of inputs-particularly time, labor, and fuel-necessary to accomplish the same work (and in many cases, more work), while also promoting safety and reducing emissions. We believe these efforts benefit the industries we serve, our customers, and ultimately, our revenue."

**PIRC analysis:** The requested disclosure on the congruency of corporate expenditure with net zero ambitions appears to be a spoiler resolution to prevent other shareholders from filing resolutions regarding the company's alignment with net zero, or emission reduction targets, and focuses on executive behaviour with the clear intent to ensure that views against what the filers describe as "risky and costly political-schedule decarbonization" are represented within the company's political activities, as opposed to promoting accountability around the potential benefits of decarbonization and requesting transparency over the financial impact from non-traditionally financial issues, particularly the climate emergency, or avoid any suspicion and any damage that may cause to the company's reputation, or that the company may adopt a conduct different from what it has committed to. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 1.5, Abstain: 1.5, Oppose/Withhold: 97.0,

#### 5. Shareholder Resolution: Civil Rights, Non-Discrimination, And Return to Merit Audit

**Proponent's argument:** National Center for Public Policy Research "request that the Board of Directors commission an audit analyzing the impacts of the Company's Diversity, Equity & Inclusion (DEI) policies on civil rights, non-discrimination and return to merit, 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 shareholders of a wide spectrum of viewpoints and perspectives. A report on the audit, prepared at reasonable cost and omitting confidential or proprietary information, should be publicly disclosed on the Company's website. Under the guise of ESG, corporations have allocated significant resources and attention towards implementing so-called anti-discrimination measures into workplace practices and hiring. Across the political spectrum, all agree that employee success should be fostered and that no employees should face discrimination, but there is much disagreement about what nondiscrimination means... Where adopted, such programs have raised significant objections, including the concern that the programs and practices themselves are deeply racist, sexist, otherwise discriminatory, and potentially in violation of the Civil Rights Act of 1964. And that by devaluing merit, corporations have sacrificed employee competence and morale – and therefore productivity – to the altar of "diversity." These practices create massive reputational, legal and financial risk. If the Company is, in the name of so-called "equity," 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. It must consult groups across the spectrum of viewpoints."

**Company's response:** The board recommended a vote against this proposal. "We are committed to the principles of equal employment opportunity and anti-discrimination and harassment for all individuals regardless of race, color, religion, age, sex, sexual orientation, gender, gender identity or expression, national origin, geographic background, physical and/or mental disability, protected veteran status, or any other classification protected by applicable law.... The proponent mischaracterizes this commitment to diversity, equity, and inclusion in two fundamental ways. First, the proposal suggests that our policies promoting these goals are discriminatory. Contrary to this assertion, we do not tolerate discrimination or harassment of any kind and have a long and proud history of valuing diversity of all kinds. We believe all employees should feel empowered to do their jobs without concern that they will be treated differently because of a protected characteristic... Second, the proponent misrepresents our policies promoting diversity, equity, and inclusion as a devaluation of the merit of each individual. An individual's ability to contribute and succeed in a job is, and has always been, the driving force behind our employment practices. Employment decisions are based on valid job requirements, and managers and supervisors are responsible for ensuring compliance with our equal employment opportunity practices."

**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: 1.0, Abstain: 1.6, Oppose/Withhold: 97.4,

## **APPLE INC AGM - 28-02-2024**

### *1a. Elect Wanda Austin*

Independent Non-Executive Director. However, there are a number of concerns relating to the company, in particular regarding the use of anti-competitive practice, treatment of the workforce, and alleged irresponsible business practices. It is considered that the volume of issues regarding the Company suggests a fundamental problem with the corporate culture at the Board level, and raises serious concerns about supervisory failure. For these reasons, it is recommended to oppose the re-election of Board Directors.

Vote Cast: *Oppose*

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

### *1b. Elect Tim Cook*

Chief Executive.

The company has been accused of anti-competitive practices. While no wrongdoing has been identified at this time, there are nevertheless concerns over the potential impact of these allegations and it is recommended to abstain from supporting the CEO, who is considered to be accountable for these matters. On 15 December 2023, a complaint was filed in an Illinois federal court by Mirage Wine & Spirits, who claimed that Apple entered into anti-competitive agreements with Visa and Mastercard causing higher fees for debit and credit transactions. Allegedly, the agreement prevented other payment systems from competing with the credit card companies' point of sale transaction payment networks. According to the lawsuit, Visa and Mastercard were paid a portion of transaction fees by Apple for purchases made on Visa and Mastercard networks using Apple pay services. This lawsuit followed similar cases brought by other payment issuers such as Venmo and Cash App, who sued Apple in September 2023 over its suppression of competition over peer to peer payments. Furthermore, on 1 April 2023, Apple won a bid to end the UK's Competition and Markets Authority (CMA) probe into its mobile browser and cloud gaming dominance, on a technicality. Apple successfully argued that the regulator should have opened the investigation earlier, at the same time it opened its mobile ecosystems report in June 2022. Previously, on 22 November 2022, the CMA announced an investigation into Apple and Google's control of the mobile browser market. In addition, on 25 July 2023, it was reported that Apple is being sued for USD 1 billion by UK app developers over App Store fees. App makers are charged 15 percent to 30 percent by Apple in commission when using its in-app payment system, which has been criticised by antitrust regulators. Professor Sean Ennis, from the University of East Anglia Centre for Competition Policy, is bringing the class action lawsuit on behalf of 1,566 app creators.

There are recent allegations of product safety issues affecting the company, and while no wrongdoing has yet been identified, there are concerns about the potential legal and reputational implications of this upon the company. On 1 November 2023, a London (UK) tribunal ruled that a mass lawsuit against Apple could go ahead. The lawsuit represented 24 million iPhone users across the UK and sought for damages valued at up to GBP 1.6 billion. The lawsuit alleged that Apple knowingly concealed battery issues in the devices by imposing software updates and power management tools with poor performance. Apple denied the claims regarding defective batteries. However, the company reported increased complaints about "unexpected power offs" since autumn 2016.

Furthermore, 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. On 31 January 2023, Kaylo Blado, spokesperson of US National

Labour Relations Board (NLRB), stated that the NLRB general counsel's office found out that "various work rules, handbook rules, and confidentiality rules" imposed by Apple "tend to interfere with, restrain or coerce employees" from exercising their rights to collective action. She said that the agency found sufficient evidence to back up the allegations of workplace harassment and suppression of organised labour against the tech giant made by two of its employees.

In addition, the company has been found to have violated labour or employment standards and there are concerns over how this can affect both the company's workers and its reputation. On 9 November 2023, the U.S. Justice Department (DOJ) announced a settlement with Apple over claims that the Company favoured the hiring of immigrant workers over U.S. citizens and green card holders. The DOJ fined the Company under the anti-discrimination provisions of the Immigration and Nationality Act via its hiring processes under the PERM (permanent labour certification program). Investigations by the DOJ from February 2019 found that Apple advertised PERM positions less effectively by considering mail applications only and not advertising on its external website. The DOJ found that consequently "less effective recruitment procedures nearly always resulted in few or no applications to PERM positions from applicants whose permission to work does not expire." Ultimately, there are a number of concerns relating to the company, in particular regarding the use of anti-competitive practice, treatment of the workforce, and alleged irresponsible business practices. It is considered that the volume of issues regarding the Company suggests a fundamental problem with the corporate culture at the Board level, and raises serious concerns about supervisory failure. It is recommended to oppose the re-election of Board Directors.

*Vote Cast: Oppose*

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

#### *1c. Elect Alex Gorsky*

Independent Non-Executive Director. However, there are a number of concerns relating to the company, in particular regarding the use of anti-competitive practice, treatment of the workforce, and alleged irresponsible business practices. It is considered that the volume of issues regarding the Company suggests a fundamental problem with the corporate culture at the Board level, and raises serious concerns about supervisory failure. For these reasons, it is recommended to oppose the re-election of Board Directors.

*Vote Cast: Oppose*

*Results: For: 98.0, Abstain: 0.2, Oppose/Withhold: 1.8,*

#### *1d. Elect Andrea Jung*

Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board. Furthermore, there are a number of concerns relating to the company, in particular regarding the use of anti-competitive practice, treatment of the workforce, and alleged irresponsible business practices. It is considered that the volume of issues regarding the Company suggests a fundamental problem with the corporate culture at the Board level, and raises serious concerns about supervisory failure. For these reasons, it is recommended to oppose the re-election of Board Directors.

*Vote Cast: Oppose*

*Results: For: 94.5, Abstain: 0.2, Oppose/Withhold: 5.3,*

#### *1e. Elect Art Levinson*

Non-Executive Chair, not considered to be 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. Furthermore, 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. More widely, there are a number of concerns relating to the company, in particular regarding the use of anti-competitive practice, treatment of the workforce, and alleged irresponsible business practices. It is considered that the volume of issues regarding the Company suggests a fundamental problem with the corporate culture at the Board level, and raises serious concerns about supervisory failure. For these reasons, it is recommended to oppose the re-election of Board Directors.

Vote Cast: *Oppose*

Results: For: 93.6, Abstain: 0.2, Oppose/Withhold: 6.1,

#### 1f. *Elect Monica Lozano*

Independent Non-Executive Director. However, there are a number of concerns relating to the company, in particular regarding the use of anti-competitive practice, treatment of the workforce, and alleged irresponsible business practices. It is considered that the volume of issues regarding the Company suggests a fundamental problem with the corporate culture at the Board level, and raises serious concerns about supervisory failure. For these reasons, it is recommended to oppose the re-election of Board Directors.

Vote Cast: *Oppose*

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

#### 1g. *Elect Ron Sugar*

Non-Executive Director, Chair of the Audit Committee. Not considered independent owing to a tenure of over nine years. It is considered that audit committees should be comprised exclusively of independent members, including the chair. Furthermore, there are a number of concerns relating to the company, in particular regarding the use of anti-competitive practice, treatment of the workforce, and alleged irresponsible business practices. It is considered that the volume of issues regarding the Company suggests a fundamental problem with the corporate culture at the Board level, and raises serious concerns about supervisory failure. For these reasons, it is recommended to oppose the re-election of Board Directors.

Vote Cast: *Oppose*

Results: For: 96.2, Abstain: 0.2, Oppose/Withhold: 3.6,

#### 1h. *Elect Sue Wagner*

Non-Executive Director and member of the Audit Committee. Not considered to be independent as the director is considered to be connected with a significant shareholder: Susan L. Wagner serves on the board of BlackRock. It is considered that the Audit Committee should consist of a majority of independent directors. There is insufficient independent representation on the Audit Committee, regardless of the independent representation on the Board as a whole. Furthermore, there are a number of concerns relating to the company, in particular regarding the use of anti-competitive practice, treatment of the workforce, and alleged irresponsible business practices. It is considered that the volume of issues regarding the Company suggests a fundamental problem with the corporate culture at the Board level, and raises serious concerns about supervisory failure. For these reasons, it is recommended to oppose the re-election of Board Directors.

Vote Cast: *Oppose*

Results: For: 98.1, Abstain: 0.2, Oppose/Withhold: 1.7,

#### 2. *Appoint EY as Auditors*

EY proposed. Non-audit fees represented 19.70% of audit fees during the year under review and 19.18% 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: 0.3, Oppose/Withhold: 1.3,

#### 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: 91.8, Abstain: 0.5, Oppose/Withhold: 7.7,

#### 4. *Shareholder Resolution: EEO Policy Risk Report*

**Proponent's argument:** National Center for Public Policy Research proposes that the Company "issue a public report detailing the potential risks associated with omitting "viewpoint" and "ideology" from its written equal employment opportunity (EEO) policy. The report should be available within a reasonable timeframe, prepared at a reasonable expense and omit proprietary information... Apple's lack of a company-wide best practice EEO policy sends mixed signals to company employees and prospective employees and calls into question the extent to which individuals are protected due to inconsistent state policies and the absence of federal protection for partisan activities. Approximately half of Americans live and work in a jurisdiction with no legal protections if their employer takes action against them for their political activities... There is ample evidence that individuals with conservative viewpoints may face discrimination at Apple... Presently shareholders are unable to evaluate how Apple prevents discrimination towards employees based on their ideology or viewpoint, mitigates employee concerns of potential discrimination, and ensures a respectful and supportive work atmosphere that bolsters employee performance. Without an inclusive EEO policy, Apple may be sacrificing competitive advantages relative to peers while simultaneously increasing company and shareholder exposure to reputational and financial risks. We recommend that the report evaluate risks including, but not limited to, negative effects on employee hiring and retention, as well as litigation risks from conflicting state and company anti-discrimination policies."

**Company's response:** The board recommended a vote against this proposal. "We are committed to nurturing a culture where every great idea can be heard and where everyone belongs, including those with differing viewpoints and ideologies. Inclusion and diversity is one of Apple's values, which means we want every employee to feel a sense of belonging in the workplace, where their perspectives are respected, sought out, and considered fairly. We believe that when we create a workplace where everyone feels comfortable sharing their diverse experiences and perspectives, we remove the barriers that prevent people from being fully engaged and, in turn, facilitate creativity and productivity... Our policies already address the proposal's concern and therefore a report would not provide additional material information. Because our commitment to a respectful and inclusive workplace is broadly scoped and embedded across our policies, practices, and trainings, we believe the risk to Apple of omitting viewpoint or ideology specifically from our Equal Employment Opportunity Policy (EEO Policy) is low, and a report on potential risks would not provide material additional information to shareholders... Our Board maintains active oversight. Our People and Compensation Committee assists the Board in its oversight of management's strategies, policies, and practices relating to Apple's people and teams, including with respect to inclusion and diversity, culture and employee engagement, talent recruitment, development, and retention, and our Audit Committee assists the Board in its oversight of matters relating to business conduct and legal and regulatory compliance. Further, our Nominating Committee oversees Apple's shareholder engagement strategy and response to shareholder proposals and oversaw Apple's recently completed Civil Rights Assessment published in July 2023."

**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: 1.3, Abstain: 1.1, Oppose/Withhold: 97.6,

#### 8. *Shareholder Resolution: Congruency Report on Privacy and Human Rights*

**Proponent's argument:** National Legal and Policy Center "request the Board of Directors issue a report by March 31,2025, at reasonable cost and omitting proprietary or confidential information, analyzing the congruency of the Company's privacy and human rights policy positions with its actions, especially in such places as war zones and under oppressive regimes, as they impact how the Company maintains its reputation, viability and profitability... Inconsistency and incongruity persist



between articulated and published policies and actual practices and operations, and pose substantial risk to companies, their customers, and society at large... For example in China, the Company severely restricted use of its AirDrop wireless filesharing feature on users' iPhones during protests against Chairman Xi Jinping's "zero COVID" policies in late 2022. Similarly, in 2017 Apple removed the New York Times's apps from the App Store in China in 2017, and removed apps including HKmap.live and Quartz from its offerings, during the protests in Hong Kong in 2019. Yet upon the invasion into Ukraine, the Company halted the sale of all its products in Russia and stopped exports into the country... Considering these examples, it appears the Company's principles to "empower and connect people" as "a force for good" – while remaining "engaged" even where it disagrees with a government and its laws, by still making its products "available" to users – has its limits.

**Company's response:** The board recommended a vote against this proposal. "Apple has long been committed to respecting human rights, and we view that commitment as a core part of our values and our mission to enrich people's lives. We also believe privacy is a fundamental human right and innovate to build industry-leading privacy and security features into our products... In July 2023, we published our Civil Rights Assessment report prepared by former U.S. Attorney General Eric Holder and his team at Covington & Burling LLP. The report reviews Apple's extensive efforts to respect civil rights and to promote diversity, equity, and inclusion and live by its core values, including accessibility, inclusion and diversity, and privacy... We are transparent about our approach to complex situations and commitment to engagement. We're required to comply with local laws, and at times there are complex considerations and issues where we may disagree with governments and other stakeholders on the most appropriate path or outcome... Our robust policies and disclosures are publicly available and the requested report would not provide additional material information. We publish extensive reports on how our efforts align with our human rights and privacy policies, so the requested report would not provide shareholders with any additional material information... Our Board maintains active oversight of these areas. Apple's Board is responsible for overseeing and periodically reviewing Apple's Human Rights Policy, while Apple's General Counsel is responsible for its ongoing implementation and reports to the Board and its committees on progress and any significant issues identified in the diligence process."

**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: 1.6, Abstain: 1.2, Oppose/Withhold: 97.2,

## AB DYNAMICS PLC AGM - 28-02-2024

### 2. *Approve the Remuneration Report*

In addition to the annual bonus salary, executives are eligible for the annual bonus which is capped at 125% of base salary. LTIP awards are also capped at 125% and vest after a three year performance period. Variable remuneration exceeds 200% of the base salary and is therefore considered to be 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*

## **KONE CORP AGM - 29-02-2024**

### *7. Adoption of the Annual Accounts*

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. Discharge the Board of Directors and the President and CEO*

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*

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 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. The maximum payout for the annual bonus is 150% of the CEO's base salary and the maximum performance outcome for the LTIP is 100%. 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. Opposition is recommended based on excessiveness concerns.

Vote Cast: *Oppose*

### *14.A. Elect Matti Alahuhta*

Non-Executive Director, member of the audit committee. Not considered to be independent owing to a tenure of over nine years and the director was previously

employed by the Company as President and Chief Executive of the company. 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*

#### *14.D. Elect Antti Herlin*

Non-Executive Chair not considered to be 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. A vote to oppose is recommended.

*Vote Cast: Oppose*

#### *14.E. Elect Iiris Herlin*

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder: Iiris Herlin serves on the Board of Security Trading which holds a significant amount of the voting rights. Besides, Miss Herlin is the daughter of the Chairman of the Board, Mr. Antti Herlin. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *14.H. Elect Ravi Kant*

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*

#### *18. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until 30 June 2025. 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*

## **INDUSTRIAL & COMMERCIAL BANK CHINA EGM - 29-02-2024**

### *3. Issuance of Total Loss-Absorbing Capacity Non-Capital Debt Instruments*

The board seeks authority to approve the issuance of Total Loss-Absorbing Capacity Non-Capital Debt Instruments, of no more than RMB 60 billion. The nominal amount corresponds to more than 10% of the share capital. 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.

Vote Cast: *Oppose*

## VIRGIN MONEY UK PLC AGM - 01-03-2024

### 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: 98.5, Abstain: 1.4, Oppose/Withhold: 0.0,

### 2. *Approve the Remuneration Report*

Awards granted to Directors under the Company's variable remuneration schemes are not considered excessive as they do not exceed 200% of base salary during the year under review. The CEO's salary is below the upper quartile of a peer comparator group. The total combined variable reward paid during the year falls below the 200% recommended threshold and is therefore not considered to be overly excessive. The balance of CEO realised 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. The ratio of CEO pay compared to that of the average employee exceeds the recommended limit of 20:1 and is therefore not considered appropriate.

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: 97.0, Abstain: 0.6, Oppose/Withhold: 2.4,

### 5. *Re-elect David Bennett - Chair (Non Executive)*

Independent 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: 97.1, Abstain: 0.9, Oppose/Withhold: 2.0,

### 13. *Appoint PricewaterhouseCoopers LLP as auditors of the Company*

PwC proposed as new auditor. 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*

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

#### *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: 93.4, Abstain: 0.1, Oppose/Withhold: 6.5,

#### *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 22,000,000 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: 98.8, Abstain: 0.1, Oppose/Withhold: 1.1,

#### *19. To authorise the Directors to disapply statutory pre-emption rights in respect of the allotment of equity securities in connection with 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: 98.9, Abstain: 0.1, Oppose/Withhold: 1.1,

#### 20. *Authorise Share Repurchase*

The authority is limited to 14.99% 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: 1.1,

#### 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 CHESSE Depository Interests (CDIs)*

The Company is not able to purchase CDIs directly on the Australian Securities Exchange and so the authority sought at resolution 20 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 14.99% 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: 98.9, Abstain: 0.1, Oppose/Withhold: 1.1,

#### 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 CHESSE Depository Interests (CDIs)*

The Company is not able to purchase CDIs directly on the Australian Securities Exchange and so the authority sought at resolution 20 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 14.99% 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: 98.9, Abstain: 0.1, Oppose/Withhold: 1.1,

#### 24. *To permit the Company to enter into a contingent purchase contract between the Company and Morgan Stanley Australia Securities Limited (Morgan Stanley) for the purchase by Morgan Stanley, at the direction of the Company, of CHESSE Depository Interests (CDIs)*

The Company is not able to purchase CDIs directly on the Australian Securities Exchange and so the authority sought at resolution 20 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 Morgan Stanley Australia Securities Limited (Morgan Stanley). 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 14.99% 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: 98.9, Abstain: 0.1, Oppose/Withhold: 1.1,

*23. To permit the Company to enter into a contingent purchase contract between the Company and J.P. Morgan Securities Australia Limited (J.P. Morgan) for the purchase by Goldman Sachs, at the direction of the Company, of CHESSE Depositary Interests (CDIs)*

The Company is not able to purchase CDIs directly on the Australian Securities Exchange and so the authority sought at resolution 20 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 J.P. Morgan Securities Australia Limited (J.P. Morgan). 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 14.99% 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: 98.9, Abstain: 0.1, Oppose/Withhold: 1.1,

*25. To permit the Company to enter into a contingent purchase contract between the Company and UBS AG London Branch (UBS) for the purchase by Morgan Stanley, at the direction of the Company, of CHESSE Depositary Interests (CDIs)*

The Company is not able to purchase CDIs directly on the Australian Securities Exchange and so the authority sought at resolution 20 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 UBS AG London Branch (UBS). 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 14.99% 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: 98.9, Abstain: 0.1, Oppose/Withhold: 1.1,

## **NOVONESIS (NOVOZYMES) B EGM - 04-03-2024**

*3.A. Election of Other Board Members: Lise Kaae*

Independent Non-Executive Director. However, there are concerns over the director's potential aggregate time commitments.

Vote Cast: *Abstain*

**ABERFORTH SMALLER COMPANIES TRUST PLC AGM - 05-03-2024****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,

**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, nor a company secretary in the employ of the fund manager), we would like to see a public statement: - addressing whether any part of the discount can be explained by capitalisation of the costs (the total costs as in the Key Investor information Document - 'KID'), - 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: 99.6, Abstain: 0.0, Oppose/Withhold: 0.4,

**QUALCOMM INCORPORATED AGM - 05-03-2024****1b. *Elect Cristiano R. Amon - Chief Executive***

Chief Executive

During the year under review, the company has been accused of anti-competitive practices. While no wrongdoing has been identified at this time, there are nevertheless concerns over the potential impact of these allegations and it is recommended to abstain from supporting the CEO, who is considered to be accountable for these matters.

Vote Cast: *Abstain*

Results: For: 99.3, Abstain: 0.2, Oppose/Withhold: 0.4,

**1f. *Elect Ann M. Livermore - Non-Executive Director***

Independent Non-Executive Director and Chair of the Governance Committee. As the Chair of the 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 withhold vote is recommended.

Vote Cast: *Oppose*

Results: For: 98.2, Abstain: 0.3, Oppose/Withhold: 1.5,

**1i. *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: 98.6, Abstain: 0.3, Oppose/Withhold: 1.1,

## 2. *Appoint the Auditors - PwC*

PwC proposed. Non-audit fees represented 2.02% of audit fees during the year under review and 3.01% 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: 93.5, Abstain: 0.2, Oppose/Withhold: 6.3,

## 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*

Results: For: 91.3, Abstain: 0.4, Oppose/Withhold: 8.3,

## 4. *Approve the Amended and Restated QUALCOMM Incorporated 2023 Long-Term Incentive Plan*

The Board proposes the approval of a 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: 94.3, Abstain: 0.4, Oppose/Withhold: 5.3,

## 5. *Amend Articles: Delaware law provisions*

The Board seeks authority to amend the articles, to reflect new Delaware law provisions regarding the exculpation of officers. Article VII of the Company's Certificate of Incorporation (Certificate) currently provides for the Company to limit the monetary liability of directors in certain circumstances pursuant to and consistent with the Delaware General Corporation Law (DGCL). The State of Delaware recently amended Section 102(b)(7) of the DGCL to allow Delaware corporations to extend similar protections to officers. Specifically, the amendments to the DGCL allow Delaware corporations to exculpate their officers for personal liability for breaches of the duty of care in certain circumstances. The provision would only permit exculpation for direct claims brought by stockholders, as opposed to claims brought by or on behalf of the Company. An oppose vote is recommended on the grounds that officers should be held accountable for their actions and the addition of exculpation provisions for officers may hinder this accountability.

Vote Cast: *Oppose*

Results: For: 87.8, Abstain: 0.2, Oppose/Withhold: 12.0,

### *6. Amend Articles: Require Claims under the Securities Act to be Brought in Federal Court*

The Board of Directors proposes amending the Articles of Association to mandate that all claims under the Securities Act of 1933 be filed exclusively in federal courts. According to the company, this proposal aims to centralize litigation, simplifying and consolidating legal proceedings. However, it raises concerns about escalating litigation expenses and the organizational burdens placed on shareholders, particularly those in the minority or retail categories. The proposed amendment could increase legal costs and more challenging procedural requirements, given the federal courts' reputation for complexity and strict adherence to more expensive procedures, in addition to organisational difficulties of coordinating class actions with plaintiffs from different states. This approach risks imposing disproportionate burdens on shareholders and may affect the equity and accessibility of legal remedies. Therefore, a recommendation to vote withhold for the amendment is suggested, considering its potential adverse effects on shareholders and the overarching goal of ensuring fair and accessible legal recourse.

Vote Cast: *Oppose*

Results: For: 87.0, Abstain: 0.6, Oppose/Withhold: 12.4,

## **NOVARTIS AG AGM - 05-03-2024**

### *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: 99.0, Abstain: 0.8, Oppose/Withhold: 0.2,

### *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: 98.4, Abstain: 1.4, Oppose/Withhold: 0.2,

### *5.2. Binding vote on the maximum aggregate amount of compensation for the Executive Committee*

It is proposed to approve the prospective remuneration for members of the Executive Management of the Company. 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 95,000,000 (CHF 90,000,000 was proposed last year). This proposal includes fixed and variable remuneration components.

There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, there are excessiveness concerns as variable remuneration exceeds 200% of base salary. On balance, opposition is recommended based on excessiveness concerns.

Vote Cast: *Oppose*

Results: For: 90.0, Abstain: 0.4, Oppose/Withhold: 9.6,

### 5.3. *Advisory Vote on the 2023 Compensation Report*

It is proposed to approve the annual report on remuneration of Executive and Non-Executive directors with an advisory vote. There are concerns regarding excess as the total variable remuneration exceeded 200% of the salary. The Company has 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: 84.4, Abstain: 0.5, Oppose/Withhold: 15.1,

### 6.1. *Re-elect Joerg Reinhardt as Board Member and Chair*

Non-Executive Director, proposed as Chair on this resolution. The Chair is not considered to be 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 a Chair of the Board should act with a proper degree of independence from the Company's management team when exercising their oversight of the functioning of the Board. Being a non-independent Chair is considered to be incompatible with this.

Additionally, during the year under review, the company has received a fine due to anti-competitive practices. On 23 February 2023, Reuters reported that Novartis consented to pay USD 30 million to settle the allegations by health plans and consumers that the health-care company made an illegal deal with Par Pharmaceuticals. The deal delayed the release of less expensive, generic versions of Exforge hypertension drug, significantly reducing competition. The agreement is a part of a bigger USD 245 million settlement which stems from the 2011 deal between Novartis and Par Pharmaceuticals. In addition, on 31 August 2023, Roche filed a complaint with a federal court in Newark, New Jersey. Roche alleged that Novartis has launched its lung disease drug despite knowledge of the Roche's Genentech patent. It was alleged that competition by Novartis had a negative effect on its market shares and sought for damages. While the full impact of this decision is yet to be ascertained, opposition is recommended to the re-election of the Chair.

Vote Cast: *Oppose*

Results: For: 96.1, Abstain: 0.4, Oppose/Withhold: 3.5,

### 6.4. *Re-elect Patrice Bula*

Independent Lead Independent Director and Chair of the Governance, Sustainability and Nomination Committee. The Chair of the Governance, Sustainability and Nomination 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: 87.4, Abstain: 1.2, Oppose/Withhold: 11.5,

### 7.4. *Re-elect Compensation Committee Member: William T. Winters*

Non-Executive Director, candidate to the Remuneration Committee on this resolution, not considered to be independent owing to a tenure of over nine years. It is considered that the Remuneration Committee should consist exclusively of independent members. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 93.6, Abstain: 0.3, Oppose/Withhold: 6.1,

**ORSTED AS AGM - 05-03-2024****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*

Results: For: 95.5, Abstain: 0.0, Oppose/Withhold: 4.5,

**4. 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: *Oppose*

Results: For: 95.5, Abstain: 0.0, Oppose/Withhold: 4.4,

**6.2. Elect Lene Skole as Chair of the Board**

Proposed Non-Executive Chair of the Board. The proposed Chair is not considered to be independent owing to a tenure exceeding nine years. 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. As opposition is not a valid vote option for this resolution, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 96.2, Abstain: 3.8, Oppose/Withhold: 0.0,

**8.1. Appoint the Auditors to Carry out Audit of Accounts**

PwC proposed. Non-audit fees represented 16.22% of audit fees during the year under review and 25.84% 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. As opposition is not a valid voting outcomes on this resolution, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 99.2, Abstain: 0.8, Oppose/Withhold: 0.0,

**8.2. Appoint the Auditors to Carry out Assurance of the Company's Consolidated Sustainability Reporting**

PwC proposed. Non-audit fees represented 16.22% of audit fees during the year under review and 25.84% 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. As opposition is not a valid voting outcomes on this resolution, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 99.2, Abstain: 0.8, Oppose/Withhold: 0.0,

## **ALFA SAB DE CV AGM - 06-03-2024**

### *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. 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*

## **ALFA SAB DE CV EGM - 06-03-2024**

### *1. Amend Articles: 3, 7, 13, 20 and 23*

The board seeks to approve amendments to the articles of association as follows:

In item ii) it is proposed to amend the articles, in order to hold meetings of the board of directors, board of management, 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. In addition, it is proposed to amend related matters such as: ii) explicit rules for holding shareholders' meetings, meetings of the management bodies and of auxiliary bodies of the board, to be held in person or by the use of electronic, optical or any other technology means; iii) publication of the notices for the meetings by means of a notice in the electronic system established by the Ministry of Economy; iv) legal books, may be signed by autographic or electronic signature. Meetings are a place for debate and decision: it is considered that the use of electronic means of participation be beneficial for all shareholders.

In Items: i) establish the duration of the company for an indefinite term; v) limitation of the limit or percentage in the issuance of shares other than ordinary shares; vi) in capital increases, update the registration in the National Securities Register after the placement of shares. No significant concerns have been identified. The proposed amendments are in line with applicable regulation. In the case of item vii): possibility for the General Meeting to delegate to the Board of Directors the power to increase the share capital and to amend the rules relating to the subscription of the relevant shares, including the exclusion of pre-emptive rights. 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. Therefore, it is recommended to oppose.

*Vote Cast: Oppose*

## XPS PENSIONS GROUP PLC EGM - 07-03-2024

### 1. *Approve Remuneration Policy*

It is proposed to the shareholders to approve the Remuneration Policy of the Company. The changes proposed to the new Remuneration Policy are: i) an element of bonus deferral is to be introduced. To date, all bonus payments have been made in cash. For financial years commencing following the approval of the 2024 Policy, bonus payments up to 100% of salary are to be paid as cash, with any amount payable in excess of this deferred into shares for two years; and ii) a clarification that PSP awards in good leaver situations will normally be retained and vest at the normal vesting date.

Although the changes proposed there are still concerns for the Remuneration Policy of the Company. Total variable pay could reach 300% of the salary for the CEO and 275% of the salary for the other Executives and is considered excessive since is higher than 200%. On the Annual Bonus the payments up to 100% of the salary will be paid in cash and payment in excess of 100% of the salary will defer to shares for two years. This is not considered adequate, it will be preferable 50% of the Bonus to be paid in cash and 50% to defer to shares for at least three years. On the Performance Share Plan (PSP) the performance period is three years which is not considered sufficiently long-term, however a two year 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 clawback provisions apply 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'. Therefore, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 76.4, Abstain: 0.0, Oppose/Withhold: 23.6,

## WARTSILA OYJ ABP AGM - 07-03-2024

### 10. *Approve the Remuneration Report 2023 for Governing Bodies*

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*

### 15. *Appoint the Auditors*

PwC proposed. Non-audit fees represented 8.11% of audit fees during the year under review and 2.75% 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*

#### *17. Appoint the Assurance Firm for the Corporate Sustainability Reporting*

PwC proposed. Non-audit fees represented 8.11% of audit fees during the year under review and 2.75% 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*

#### *19. 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. 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*

### **BANK MANDIRI (PERSERO) TBK AGM - 07-03-2024**

#### *3. Approve Remuneration for the Board of Directors and the Board of Commissioners*

The board is seeking shareholder approval for the determination of the remuneration for the board of directors and the board of commissioners of the company. 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*

## APPLIED MATERIALS INC AGM - 07-03-2024

### 1b.. *Re-elect Judy Bruner - Non-Executive Director*

Independent Non-Executive Director, and chair of the nomination committee. Non-Executive Director and chair of the nomination committee. At this time, individual attendance record at board and committee meetings is not disclosed. This prevents shareholders from making an informed assessment on the fulfilment of fiduciary duties and the time that directors commit to the company. It is considered that the chair of nomination committee be responsible for inaction in terms of lack of disclosure. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 94.2, Abstain: 0.3, Oppose/Withhold: 5.5,

### 1c.. *Re-elect Xun (Eric) Chen - 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: 98.1, Abstain: 0.2, Oppose/Withhold: 1.7,

### 1d.. *Re-elect Aart J. de Geus - 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: 97.4, Abstain: 0.2, Oppose/Withhold: 2.4,

### 1f.. *Re-elect Thomas J. Iannotti - Chair (Non Executive)*

Non-Executive Chair of the Board and Chair of the Remuneration Committee. Not considered independent owing to a tenure over nine years. This 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. Additionally, 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: 91.3, Abstain: 0.2, Oppose/Withhold: 8.5,

### 1g. . *Re-elect Alexander A. Karsner - 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: 92.7, Abstain: 0.2, 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 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: 91.2, Abstain: 0.4, Oppose/Withhold: 8.4,

### 3. *Appoint the Auditors*

KPMG proposed. Non-audit fees represented 2.54% of audit fees during the year under review and 1.61% 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: 95.3, Abstain: 0.2, Oppose/Withhold: 4.5,

## **ALLERGY THERAPEUTICS PLC AGM - 08-03-2024**

### 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*

### 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*

### 11. *Approve the Authority to Issue Warrants*

It is proposed to the shareholders to approve the authority on the Board of Directors, based on section 551 of the Companies Act, to exercise all the powers of the Company to issue warrants to subscribe for up to 1,000,000,000 new ordinary shares of GBP 0.1 pence each in the capital of the Company pursuant to the terms of the Amended Facility and the Warrant Instrument. The authority is approximately 155% of the share capital of the company and in connection with resolution 10 is considered excessive. Additionally, not all directors are standing for annual re-election and there is no commitment from all the directors to stand for re-election in case this additional authority is used. Overall, opposition is recommended.

Vote Cast: *Oppose*

### 12. *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*

### 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. 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*

### 14. *Approve the Authority to Issue Warrants 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*

## **CARLSBERG AS AGM - 11-03-2024**

### 2. *Receive the Annual Report*

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. 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: 99.1, Abstain: 0.0, Oppose/Withhold: 0.9,

### 5.A. *Approve Executive Directors' Fees*

It is proposed to approve the remuneration policy. Variable remuneration appears to be consistently capped, although the pay-out may exceed 200% of the fixed remuneration for the highest paid director. 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. On balance, opposition is recommended based on excessiveness concerns.

*Vote Cast: Oppose*

*Results: For: 100.0, Abstain: 0.0, Oppose/Withhold: 0.0,*

#### *6.A. Re-elect Henrik Poulsen - Chair (Non Executive)*

Independent Non-Executive Chair of the Board. As there's no Sustainability Committee within the Board of Directors, 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. However, as opposition is not a valid vote option for this resolution, abstention is recommended.

*Vote Cast: Abstain*

*Results: For: 96.8, Abstain: 3.2, 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: 96.3, Abstain: 3.7, Oppose/Withhold: 0.0,*

#### *6.C. Re-elect Mikael Aro - Non-Executive Director*

Non-Executive Director, member of the Audit Committee. Not considered to be independent as the director was previously employed by the Company as head of the Northern Europe region from 2007 to 2009. In terms of best practice, it is considered that the audit committee should only comprise independent members. As opposition is not a valid vote option for this resolution, abstention is recommended.

*Vote Cast: Abstain*

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

#### *6.D. Re-elect Magdi Batato - Non-Executive Director*

Independent Non-Executive Director and member of the Audit Committee. 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. Additionally, terms of best practice, it is considered that the audit committee should only comprise independent members. 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.F. Re-elect Richard Burrows - Non-Executive Director*

Non-Executive Director, member of the Audit Committee and Chair of the Remuneration Committee. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board. Additionally, in terms of best practice, it is considered that the audit committee should only comprise independent members. Furthermore, it is considered that the Chair of the Remuneration Committee is responsible for the company's remuneration report, and owing to concerns with the company's remuneration report, opposition is recommended. As opposition is not a valid vote option for this resolution, abstention is recommended.

*Vote Cast: Abstain*

*Results: For: 96.3, Abstain: 3.7, 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: 96.1, Abstain: 3.9, Oppose/Withhold: 0.0,

#### 7. *Appoint the Auditors*

PwC proposed. Non-audit fees represented 13.79% of audit fees during the year under review and 23.38% 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: 99.4, Abstain: 0.6, Oppose/Withhold: 0.0,

### **BANCO BRADESCO EGM - 11-03-2024**

#### 1. *Approve Protocol and Justification with a BRAM – Bradesco Asset Management S.A. Distribuidora de Títulos e Valores Mobiliários*

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 acquired company is already a subsidiary of the company. No serious corporate governance concerns have been identified. However, opposition is recommended as the evaluation 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*

#### 2. *Approve Evaluation Consultant*

KPMG Auditores 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*

#### 3. *Approve Acquisition of BRAM – Bradesco Asset Management S.A. Distribuidora de Títulos e Valores Mobiliários*

It is proposed to approve the absorption of BRAM – Bradesco Asset Management S.A. Distribuidora de Títulos e Valores Mobiliários by incorporation. 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 acquired company is already a subsidiary of the Company. No serious corporate governance concerns have been identified. However, opposition is recommended as the evaluation 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. Amend Article 5*

The board seeks to approve amendments to the articles of association as a consequence of the incorporation proposed, in order to make it clear that the activities currently carried out by BRAM will continue to be carried out in a segregated manner from the other activities of the Company. Although the proposal is acceptable as the acquired company is already a subsidiary of the Company and no serious corporate governance concerns have been identified. Opposition is recommended as the evaluation 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*

#### *6. Amend Article 7*

The board seeks to approve amendments to the articles of association, as a result of the amendment to Paragraph 4 of Article 7 to make it clear that the age limit in item "i" will only apply to the Chair of the Board of Directors with a mandate in force at the Annual General Meeting 2023. The article proposes to exclude the age limit for the chairman of the board of directors. Although age in itself is not considered a factor that should discriminate against the re-election of directors on the board of directors, it is considered that the company should activate its succession plan, rather than amending the articles of association ad hoc, in order to take into account the increase in the chairman's age. Opposition is recommended.

*Vote Cast: Oppose*

#### *9. Amend Article 9, item 'i'*

The board seeks to approve amendments to the articles of association, which deal with the powers and duties of the Board of Directors in letter 'i', excluding the need to submit to the General Meeting a proposal to increase the share capital by issuing new shares as a result of the allocation of authorised capital. It is considered that the company should disclose whether successive increases will be carried out with or without pre-emptive rights, respecting the recommended limits for issues with or without pre-emptive rights. Given that this proposal limits the power of shareholders with regard to capital increases, a vote against is recommended.

*Vote Cast: Oppose*

#### *10. Amend Article 9, item 'j'*

The board seeks to approve amendments to the articles of association, which deals with the attributions and duties of the Board of Directors, including letter 'j', renumbering the others, which deals with the resolution to increase the share capital within the limit of the Authorised Capital proposed, without previous approval of shareholders. It is considered that the company should disclose whether successive increases will be carried out with or without pre-emptive rights, respecting the recommended limits for issues with or without pre-emptive rights. Given that this proposal limits the power of shareholders with regard to capital increases, opposition is recommended.

*Vote Cast: Oppose*

### **BANCO BRADESCO AGM - 11-03-2024**

#### *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*

*5.1. Elect Luiz Carlos Trabuco Cappi - Chair (Non Executive)*

Non-Executive Chair. Not considered independent as the director was previously employed by the Company as CEO until March 2018. He has held executive positions at the Company for 48 years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*5.2. Elect Alexandre da Silva Glüher - Vice Chair (Non Executive)*

Non-Executive Vice Chair. Not considered independent as the director was previously employed by the Company as Executive Vice President until 2018, when he joined the Board. He started his career in the Company in 1976. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*5.3. Elect Denise Aguiar Alvarez Valente - Non-Executive Director*

Non-Executive Director. Not considered to be independent as she serves as a director and officer for Cidade de Deus Companhia Comercial de Participações, a significant shareholder, as well as a director or executive of other companies and associations (like Fundação Bradesco) which are part of the controlling group of Bradesco. In addition, Mrs. Alvarez Valente has served on the board for over nine years. Mrs. Denise Aguiar Alvarez Valente is the sister of Aguiar Alvarez, who also serves as non-executive director of the Company. The Aguiar family are significant shareholders. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*5.4. Elect Milton Matsumoto - Non-Executive Director*

Non-Executive Director. Not considered to be independent as he is a former executive of the company and serves as a director on a number of subsidiaries of the Bradesco Group. He started his career at Banco Bradesco S.A. in 1957. He held all positions of the hierarchical scale of a bank. In March 1985 he was elected as Department Officer, in March 1998 as Deputy Executive Officer, and in March 1999 as Managing Officer. He is also on the Board of Cidade de Deus, a significant shareholder. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*5.5. Elect Maurício Machado de Minas - Non-Executive Director*

Non-Executive Director. Not considered independent as the director was previously employed by the Company, starting in 2009 and as Executive Vice President until 2018. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *5.6. Elect Samuel Monteiro dos Santos Junior - Non-Executive Director*

Non-Executive Director. Not considered independent as served of Non Executive Director and Executive in many enterprises controlled by the issuer's shareholder that has a direct or indirect interest equal to or greater than 5% of the same class or type of securities of the issuer. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *5.9. Elect Rubens Aguiar Alvarez - Non-Executive Director*

Non-Executive Director. Not considered independent as the director has close family ties with the Company. He is brother of Denise Aguiar Alvarez, also Non Executive Director of the Company. The Aguiar family are significant shareholders. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *5.10. Elect Denise Pauli Pavarina - 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 held Executive positions in subsidiaries of the Company. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *5.11. Elect Octávio de Lázaro Júnior - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder: Nova Cidade de Deus Participações S.A. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *6. 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*

#### *7.1. Cumulative Voting: Percentage of Votes to Be Assigned to Luiz Carlos Trabuço Cappi*

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*

#### *7.2. Cumulative Voting: Percentage of Votes to Be Assigned to Alexandre da Silva Glüher*

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*

*7.3. Cumulative Voting: Percentage of Votes to Be Assigned to Denise Aguiar Alvarez*

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*

*7.4. Cumulative Voting: Percentage of Votes to Be Assigned to Milton Matsumoto*

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*

*7.5. Cumulative Voting: Percentage of Votes to Be Assigned to Maurício Machado de Minas*

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*

*7.6. Cumulative Voting: Percentage of Votes to Be Assigned to Samuel Monteiro dos Santos Junior*

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*

*7.9. Cumulative Voting: Percentage of Votes to Be Assigned to Rubens Aguiar Alvarez*

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*

*7.10. Cumulative Voting: Percentage of Votes to Be Assigned to Denise Pauli Pavarina*

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*

*7.11. Cumulative Voting: Percentage of Votes to Be Assigned to Octavio de Lazari Junior*

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*

*8. Elect Fiscal Council Members*

It is proposed to appoint members of the Fiscal Council in a bundled election. Although these are not considered to be best practice, they are usual practice in this market. Candidate José Maria Soares Nunes is not considered to be independent as owing to a tenure of over nine years. In terms of good governance, it is considered



that all of the candidates to the Fiscal Council should be independent. It is regrettable that the Company has bundled their election instead of proposing individual candidates. Opposition is recommended.

*Vote Cast: Oppose*

*9. In Case One of the Nominees Leaves the Fiscal Council Slate Due to a Separate Minority Election, 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*

*11. Elect One as Fiscal Council Member and one as Alternate: Ava Cohn / José Luis Elias*

It is proposed to appoint members of the Fiscal Council in a bundled election: Ava Cohn as standing member, José Luis Elias 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 José Luis Elias is not considered to be independent, as he has held executive positions in the Company. On this basis, opposition is recommended.

*Vote Cast: Oppose*

*12. Approve Maximum Remuneration of Company's Management*

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 738,452 BRL million. Variable remuneration for executives would correspond to up to 358% 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*

## **STARBUCKS CORPORATION AGM - 13-03-2024**

*2. To approve, on a nonbinding, advisory basis, the compensation paid to Starbucks named executive officers ("say-on-pay")*

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: 90.9, Abstain: 1.0, Oppose/Withhold: 8.2,

### 3. *To ratify the selection of Deloitte & Touche LLP as Starbucks independent registered public accounting firm for fiscal year 2024*

Deloitte proposed. Non-audit fees represented 3.11% of audit fees during the year under review and 1.89% 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: 93.7, Abstain: 0.5, Oppose/Withhold: 5.8,

### 5. *Shareholder Resolution: report on direct and systemic discrimination*

**Proponent's argument:** National Center for Public Policy Research request that the Company conduct an audit and report to determine if and to what extent its programs and practices direct systemic discrimination against groups or types of employees, including "non-diverse" employees. "The Company has spent significant resources and attention on implementing DEI policies into workplace practices and hiring. These efforts include the Company's "Partner Networks," which "are partner-led groups that bring together people with shared identities and experiences, along with allies, to promote a culture of inclusion. . ." [...] Membership in such groups is often based on surface-level characteristics such as race, sex, and sexual orientation. In fact, Starbucks boasts a dozen partner networks, with more than half being grounded in surface-level characteristics. These groups include the Black Partner Network to focus on the "African diaspora," the Hora del Cafe to focus on the "Latinx culture," the India Partner Network to focus on the "growth of the India market," the Indigenous Partner Network to "preserve and celebrate Indigenous cultural values," the Pan-Asian Partner Network to "elevate the impact of Pan-Asian partners," the Pride Network to "cultivate an equitable, dynamic and supportive environment for LGBTQIA2+ partners," the Welcoming Refugees Alliance to "empower and advocate for refugee partners," and the Women's Impact Network to "ignite the power of women." While Starbucks also has Networks that focus on the Armed Services, the disabled, and sustainability, it only has one group that actually focuses on performance: the "Next at Starbucks" group, to "support and empower the next generation of Starbucks leadership." Starbucks has no Partner Networks, though, for any "non-diverse" groups. This is particularly a concern given the many programs Starbucks has established to facilitate disparate treatment in hiring and promotion against the "non-diverse." Under equity theory itself, this gap indicates the existence of systemic discrimination against the non-diverse at Starbucks. The content of the current Partner Network groups' recommendations and activities would further substantiate that claim and would help to demonstrate if there's systemic discrimination by viewpoint at Starbucks."

**Company's response:** The board recommended a vote against this proposal. "We have 13 U.S.-based Partner Networks that are partner-led to bring together people with a broad variety of shared identities and experiences, along with allies, to promote a culture of inclusion. Additionally, we have more than 20 Partner Networks available globally. All partners, regardless of their identities or backgrounds, are invited to join and contribute to our Partner Networks. And over half of our Partner Networks either currently or in the past have had a self-identified ally on their leadership team. Our Partner Networks each have unique goals that align with our mission statement, promises, and values. Affinity groups like our Partner Networks are commonplace at many employers, including private and public companies, universities, military commands, and government agencies, and have become a well-established method to allow for organizations to foster an inclusive environment."

**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. A vote against the resolution is recommended.

Vote Cast: *Oppose*

Results: For: 1.2, Abstain: 1.1, Oppose/Withhold: 97.7,

### 6. *Shareholder Resolution: report on congruency human rights policies*

**Proponent's argument:** National Legal and Policy Center request the board of directors issue a report by March 31, 2025, at reasonable cost and omitting proprietary or confidential information, analyzing the congruency of the Company's human rights policy positions with its actions, especially in countries in geopolitical conflicts or under oppressive regimes, as they impact how the Company maintains its reputation, viability and profitability. "Starbucks appears to uphold-or rescind-these principles inconsistently across countries where it conducts business. For example in China, the Company seeks accelerated growth in an environment where many U.S.-based businesses increasingly exercise caution due to uninsurable risks. In its zeal to grow to 9,000 stores within the next two years, Starbucks must comply with the expectations of the dictatorial and genocidal Chinese Communist Party, which controls the government. One expert on business in China credited the Company's success so far to "friends in high places," adding, "They are very politically savvy when it comes to entering the Chinese marketplace. Most of their real estate partners are either high-ranking party officials or real estate entities that are in some way tied to the Chinese Communist Party, and some of the leaders. " Yet upon Russia's invasion of Ukraine, the Company temporarily closed all its licensed cafes in Russia and paused shipments of all its products into the country. Starbucks's CEO at the time said, "I want to express deep care for the livelihoods of our 2,000 green apron partners in Russia. In times like these, as a company and as partners, we strive to never be a bystander ... I want you to know that no matter what, we stand together, as partners." Two months later the Company exited Russia permanently and said it would give 2,000 employees there six-months' severance. The abandonment by the Company of its private licensing partner in Russia and its employees came despite no reports of endangerment to its cafes."

**Company's response:** The board recommended a vote against this proposal. "We recognize the importance of having a consistent approach to advancing our commitment to respect human rights. Like the proponent, our Board agrees that our actions-wherever we operate-should be aligned with our mission statement, promises, and values. And our Board is fully engaged in overseeing those commitments and recently formed the Environmental, Partner, and Community Impact Committee to support this work. In 2023, we conducted an enterprise-wide Human Rights Impact Assessment ("HRIA") in accordance with the United Nations Guiding Principles on Business and Human Rights and led by an independent consultancy with expertise in human rights. The results of the assessment were reviewed with our executive leadership and Board, and we have made a summary of key findings from the HRIA publicly available on our website. In addition, at our 2023 Annual Meeting, a majority of our shareholders approved a shareholder resolution calling for an independent, third-party assessment of our adherence to our stated commitment to freedom of association and the right to collective bargaining referenced in our Global Human Rights Statement (FOA/CB Assessment). That assessment was undertaken by a highly qualified, independent assessor with the deep subject matter expertise necessary for the task, and key findings from that assessment were made publicly available on December 13, 2023."

**PIRC analysis:** The requested report on discrepancies between policies and practice in global operations in countries, particularly in geopolitical conflicts or under oppressive regimes, 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 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 in certain countries, 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: 1.6, Abstain: 2.2, Oppose/Withhold: 96.2,

## **SAFESTORE HOLDINGS PLC AGM - 13-03-2024**

### *2. Approve the Remuneration Report*

Awards granted to Directors under the Company's variable remuneration schemes are not considered excessive as they do not exceeds 200% of base salary during the

year under review. The CEO's salary is below the upper quartile of a peer comparator group. The total combined variable reward paid during the year falls below the 200% recommended threshold and is therefore not considered to be overly excessive. The balance of CEO realised 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. The ratio of CEO pay compared to that of the average employee falls below the recommended limit of 20:1 and is therefore not considered to be overly 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: 89.4, Abstain: 1.2, Oppose/Withhold: 9.4,

#### *5. Re-elect David Hearn - 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. In addition Mr. Hearn's re-election on the 2023 Annual General Meeting received significant opposition of 11.44% of the votes and the Company did not disclose information as to how address the issue with its shareholders. Overall, opposition is recommended.

Vote Cast: *Oppose*

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

#### *12. Re-appoint Deloitte LLP as Auditor of the Company*

Deloitte proposed. No non-audit fees were paid for the year under review and non-audit fees represents 0.33% 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. 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. Abstention is recommended.

Vote Cast: *Abstain*

Results: For: 99.3, Abstain: 0.2, Oppose/Withhold: 0.4,

#### *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. It is noted that in the 2023 Annual General Meeting the resolution received significant opposition of 10.61% of the votes. The Company did not disclose information as to how address the issue with its shareholders, therefore abstention is recommended.

Vote Cast: *Abstain*

Results: For: 89.6, Abstain: 0.5, Oppose/Withhold: 9.9,

#### *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: 89.3, Abstain: 0.0, Oppose/Withhold: 10.7,

### 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: 84.7, Abstain: 0.2, Oppose/Withhold: 15.1,

### 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: 99.5, Abstain: 0.2, Oppose/Withhold: 0.3,

## DSV A/S AGM - 14-03-2024

### 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*

Results: For: 70.0, Abstain: 1.0, Oppose/Withhold: 29.1,

### 6.01. *Re-elect Thomas Plenborg*

Non-Executive Chair and member of Audit Committee, not considered to be 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. Furthermore, in terms of best practice, it is considered that the audit committee should only comprise independent members. In addition, 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. As opposition is not a valid voting option, it is recommended to abstain.

Vote Cast: *Abstain*

Results: For: 88.1, Abstain: 11.9, Oppose/Withhold: 0.0,

### 6.08. *Re-elect Helle Østergaard Kristiansen*

Non-Executive Director, chair of the audit committee. At the company, the Audit Committee does not oversee the whistle-blowing hotline. This may increase the risk of such issues not being followed up or escalated which may mean the issue is 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. As opposition isn't a valid voting option it is recommended to abstain.

Vote Cast: *Abstain*

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

#### 7.01. *Appoint PwC as Auditors*

PwC proposed. Non-audit fees represented 10.64% of audit fees during the year under review and 12.69% 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: 1.0, Oppose/Withhold: 0.0,

#### 8.2. *Authorisation to acquire treasury shares*

It is proposed to authorise the Board to purchase Company's treasury shares of a nominal value of up to DKK 21,400,000 (10% of share capital). 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: 0.6,

### **PANDORA AS AGM - 14-03-2024**

#### 2. *Adoption of the audited Annual Report 2023*

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

#### 6.1. *Re-elect Peter A. Ruzicka - Chair (Non Executive)*

Non-Executive Chair of the Board, Chair of the Remuneration Committee and Member of the Nomination Committee. 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. Additionally as there is no 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 and considering the above. Finally, it is considered that the Chair of the Remuneration Committee is responsible for the company's remuneration policy, and owing to concerns with the company's remuneration policy, opposition is recommended. As opposition is not a valid vote option for this resolution, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 81.2, Abstain: 18.8, Oppose/Withhold: 0.0,

#### 6.4. *Re-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. As opposition is not a valid vote option for this resolution, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 95.8, Abstain: 4.2, Oppose/Withhold: 0.0,

#### 6.5. *Re-elect Marianne Kirkegaard - 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*

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

#### 7. *Appoint the Auditors*

EY proposed. No non-audit fees were paid during the year under review and 3.03% 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: 96.8, Abstain: 3.2, Oppose/Withhold: 0.0,

#### 8. *Discharge the Management 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: *Oppose*

Results: For: 96.6, Abstain: 0.6, Oppose/Withhold: 2.8,

#### 9.3A. *Amend Remuneration Policy (Specification of the Derogation Clause)*

The Board proposes to specify the derogation clause in section 1 of the Remuneration Policy so that it is explicitly stated which parts of the Remuneration Policy the Board in exceptional circumstances can derogate from, namely that derogation can only be exercised in relation to Executive Management, and the elements that may be derogated from include changes to the relative proportion of the remuneration elements (annual base salary, STIP and LTIP), terms for LTIP (including instrument), exit terms (for STIP and LTIP) and notice period. 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*

Results: For: 98.0, Abstain: 0.2, Oppose/Withhold: 1.9,

#### 9.3B. *Amend Remuneration Policy (Short-Term Incentive Plan)*

The Board proposes to increase the maximum STIP payout to Executive Management from 100% to 160% of the Fixed Annual base Salary when reaching maximum performance under the STIP in order to ensure competitiveness of the Company's remuneration to Executive Management in a global context and in order to allow for alignment of incentives between Executive Management.

STIP appears to be consistently capped, although the payout may exceed 200% of fixed salary when taking into account the LTIP for the total variable remuneration. 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*

Results: For: 94.2, Abstain: 0.8, Oppose/Withhold: 5.0,

#### 9.4. *Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until 14 March 2029. 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: 98.5, Abstain: 0.0, Oppose/Withhold: 1.5,

### MAPFRE SA AGM - 15-03-2024

#### 2.1. *Re-elect Maria Leticia De Freitas Costa - 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*

#### 2.2. *Elect Rosa Maria Garcia Garcia - Non-Executive Director*

Independent Non-Executive Director and member of the nomination committee. 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.

At this time, individual attendance record at board and committee meetings is not disclosed. This prevents shareholders from making an informed assessment on the fulfilment of fiduciary duties and the time that directors commit to the company. It is considered that the chair of nomination committee be responsible for inaction in terms of lack of disclosure. Opposition is recommended.

Vote Cast: *Oppose*

#### 4.1. *Approve Long Term Incentive Plan for shares to be granted to Executive Board Directors*

The Board proposes the approval of a 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*



### *3.1. Appoint the Auditors KPMG*

KPMG proposed. Non-audit fees represented 10.98% of audit fees during the year under review and 4.34% 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*

### *3.2. Appoint the Auditors KPMG both for the Individual Annual Accounts and for the Consolidated Annual Accounts, for a period of three years, i.e. for fiscal years 2025, 2026 and 2027.*

KPMG proposed. Non-audit fees represented 10.98% of audit fees during the year under review and 4.34% 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*

### *4.2. Approve the Remuneration Report*

It is proposed to approve the annual report on remuneration of Executive and Non-Executive Directors with an advisory vote. 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*

## **KIA MOTORS CORP AGM - 15-03-2024**

### *1. Approve Financial Statements*

At this time, the annual 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*

### *2.2. Elect I In Gyeong - 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 Audit Committee member: I In Gyeong*

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*

### 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*

## SAMSUNG C&T CORPORATION AGM - 15-03-2024

### 4.1.1. *Re-elect Joong Kyung Choi - Non-Executive Director*

Independent Non-Executive Director, Chair of the Audit Committee. At the company, The audit committee is not alerted to cases that come through the Compliance hotline, 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*

### 6. *Approval of Remuneration Limit for Directors*

It is proposed to approve the remuneration policy. Variable remuneration appears to be consistently capped, although the payout may exceed 200% of fixed salary. In addition, 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*

### 3. *Shareholder Resolution: Share Repurchase*

**Proponent's argument:** A total shareholding of City of London and four other shareholders propose "share repurchase for the enhancement of shareholder value. Shares to be repurchased are 3,861,000 of common shares (calculated by dividing KRW 500 billion by the closing price of the company stock as of December 28, 2023, which is KRW 129,500). Limit for the Share Repurchase is KRW 500,000,000,000... There is absolutely no rationale for investing in anything but the Company's own shares whilst they are trading at such a wide discount. Indeed, if the Company spent just 50% of the expected new investment over the next 3 years buying back its own shares, it would be able to repurchase approximately 10% of shares outstanding, enhancing EPS by more than 11% and intrinsic value per share by nearly 8%... The board reviewed a stock repurchase program. This was ultimately rejected in favour of first considering the Company's "investment performance and cash flow condition...Cash is being generated by the improved performance of the underlying businesses. This cash is worth 100% in the hands of the Company's shareholders. However, once reinvested by the Company it is worth less than 40%! Return this cash to shareholders and allow them to decide whether to reinvest in the Company. Since announcing the shareholder return policy for FY 2023-25 to end-August, the discount has expanded from 64% to 68% and the share price of the Company has

fallen by 5.9%, underperforming the KOSPI index by 11.7%. This is, in our opinion, contrary to the positive view promulgated by the Company citing favourable press and analyst commentary following the announcement. This implies that the market believes the new three-year shareholder return policy is actually value destructive for shareholders. CLIM agrees with the market.

**Company's response:** The board recommended a vote against this proposal.

**PIRC analysis:** This resolution will not be supported unless the proponent 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 proponent, an oppose vote is recommended.

*Vote Cast: Oppose*

#### **SAMSUNG BIOLOGICS CO., LTD. AGM - 15-03-2024**

##### *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*

##### *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*

#### **THK CO LTD AGM - 16-03-2024**

##### *3.8. Elect Kainoshou Masaaki - Non-Executive Director*

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*

##### *4.1. Elect Hioki Masakatsu as Audit and Supervisory Committee member*

Incumbent Non-Executive Corporate Member of Audit and Supervisory Committee, not considered independent as the candidate's tenure exceeds nine years,

*Vote Cast: Oppose*

## BLACKROCK THROGMORTON TRUST PLC AGM - 19-03-2024

### 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: 93.4, Abstain: 0.1, Oppose/Withhold: 6.5,

### 10. *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: 93.3, Abstain: 0.1, Oppose/Withhold: 6.6,

### 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, nor a company secretary in the employ of the fund manager), we would like to see a public statement: - addressing whether any part of the discount can be explained by capitalisation of the costs (the total costs as in the Key Investor information Document - 'KID'), - 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: 99.8, Abstain: 0.1, Oppose/Withhold: 0.1,

## SKANDINAVISKA ENSKILDA BANKEN (SEB) AGM - 19-03-2024

### 9. *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*

### 14A.1. *Elect Jacob Aarup-Andersen - Non-Executive Director*

Independent Non-Executive 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*

### 14A.2. *Elect Signhild Arnegard Hansen - Non-Executive Director*

Non-Executive Director and Chair of the Remuneration Committee. It is considered that the Chair of the Remuneration Committee is responsible for the company's remuneration report, and owing to concerns with the company's remuneration report, opposition is recommended.

*Vote Cast: Oppose*

### 14A.5. *Elect Winnie Fok - Non-Executive Director*

Non-Executive Director and member of the Audit Committee. Not considered independent as she is Senior Advisor to the Wallenberg Foundation and a former advisor to Investor AB. Investor AB is Wallenberg family holding and the major shareholder in the Company. There is insufficient independent representation on the Board. In addition, it is considered that the Audit Committee should be comprised exclusively of independent members. Regardless of the independent representation on the Board as a whole, opposition is recommended.

*Vote Cast: Oppose*

### 14A.7. *Elect Sven Nyman - Vice Chair (Non Executive)*

Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder: Investor AB, where they are also a director. There is insufficient independent representation on the Board. Opposition is recommended.

*Vote Cast: Oppose*

### 14A.9. *Elect Helena Saxon - Non-Executive Director*

Non-Executive Director and Chair of the Audit Committee. Not considered independent as she is an executive of Investor AB. Investor AB is the major shareholder

of the Company. There is insufficient independent representation on the Board. In addition, it is considered that audit committees should be comprised exclusively of independent members, including the chair. Opposition is recommended.

*Vote Cast: Oppose*

*14A.11. Elect Marcus Wallenberg as member of the Board of Directors.*

Non-Executive Chair of the Board member of the Audit and the Remuneration Committee. The Chair is not considered to be independent as he controls Investor AB (the major shareholder) through his family holding FAM. In addition he has been on the Board for more than nine years and a previous employee of the Company. 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, it is considered that the Audit Committee should be comprised exclusively of independent members. Regardless of the independent representation on the Board as a whole. Although there are concerns over potential aggregate time commitments, this director has attended all Board and committee meetings during the year under review. Overall, opposition is recommended.

*Vote Cast: Oppose*

*14B. Elect Marcus Wallenberg as Chair (Non Executive) of the Board*

Non-Executive Chair of the Board member of the Audit and the Remuneration Committee. The Chair is not considered to be independent as he controls Investor AB (the major shareholder) through his family holding FAM. In addition he has been on the Board for more than nine years and a previous employee of the Company. 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, it is considered that the Audit Committee should be comprised exclusively of independent members. Regardless of the independent representation on the Board as a whole. Although there are concerns over potential aggregate time commitments, this director has attended all Board and committee meetings during the year under review. Overall, opposition is recommended.

*Vote Cast: Oppose*

*16A. 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*

*16B. Approve the Guidelines for salary and other remuneration for the President and members of the Group Executive Committee 2024*

It is proposed to the shareholders to approve the guidelines for the executives remuneration. The Guidelines 2024 are forward-looking, meaning that they are applicable to remuneration agreed. The 2024 guidelines are in accordance with both the Swedish Financial Supervisory Authority's regulations on remuneration in financial companies, as well as rules issued by the Stock Market Self-Regulation committee and Swedish and international rules and guidelines in applicable parts.

SEB aims to attract and retain committed and competent employees who contribute to SEB's long-term success. These Guidelines 2024 enable SEB to offer the Executives a competitive total remuneration. Long-term equity programmes have been implemented in SEB since 1999. Such programmes have been resolved on by relevant general shareholders' meetings and are therefore excluded from these Guidelines 2024. The long-term equity programmes include, among others, the Executives. The performance criteria used to assess the initial allotment of these long-term equity programmes are distinctly linked to the business strategy, the current three year business plan and thereby to SEB's long-term value creation, including its sustainability. At present, these are clustered into four main focus areas, (i) Financial, which comprise SEB's operating income, cost, profits and return on equity, (ii) Customer satisfaction, based on external ratings, (iii) ESG targets including e.g., sustainability, people and conduct and (iv) Strategic initiatives within e.g., data, digitalisation & efficiency. The maximum annual allotment of long-term equity programmes may not exceed 100% of the Executives' base pay in accordance with applicable laws and regulations. The remuneration structure for the Executives shall be on market terms and may consist of base pay (fixed cash salary), pension benefits and other benefits. Upon termination of an employment, the notice period may not exceed twelve months. Base pay during the notice period and severance pay may together not exceed an amount equivalent to the Executive's base pay for two years. SEB has the right to deduct any income from other employments from the severance pay. When termination is made by the Executive, the notice period may not exceed six months, without any right to severance pay. 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*

#### *17C. Approve SEB Restricted Share Programme 2024 (RSP)*

SEB Restricted Share Programme 2024 (RSP) is a programme for selected employees on the level below senior executives within certain business units of SEB, maximum 1,000 participants in total. The RSP requires that the participant has not been dismissed by SEB or has taken up, e.g., a new employment, board membership, partnership, assignment or is directly or indirectly engaged in a business which might have an adverse effect for SEB before the end of the qualification period, to be eligible for payment.

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*

#### *18A. Approve Acquisition of SEB's own shares in its securities business*

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*

#### *18B. Approve Equity Plan Financing*

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*

#### *22. Shareholder Resolution: Bank Correction of its Software*

**Proponent's argument:** Shareholder Carl Axel Bruno proposes that the annual general meeting instructs the Board of Directors to ensure that the bank corrects the software in its central computers, so that the software checks that each payment does not exceed the customer's own previous maximum payment by more than 50%.

**Company's Argument:** Our responsibility is to prevent and counter financial crime, such as fraud, and we have systems and procedures in place to monitor and try to alert customers when we detect abnormal patterns, behaviour, or transactions. There are also amount limits for certain solutions and services. Since criminals are constantly trying to find new ways to exploit the financial system and defraud banks' customers, we work continuously with various measures, and we continuously review and strengthen our systems, routines, and processes. Within the Swedish Bankers' Association, we are also looking at an initiative that aims to develop selectable security functions for bank customers.

**PIRC analysis:** Despite the beneficial goal of fraud prevention, it is not clear why the bank should arbitrarily cap client spending. Furthermore, the proposed process of authentication via phone may be exclusionary of visually or auditorily impaired customers. Opposition is recommended.

*Vote Cast: Oppose*

### **STORA ENSO OYJ AGM - 20-03-2024**

#### *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*

#### *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 PwC as 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*

#### *16. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until next AGM. The amount of R shares to be repurchased based on this authorisation shall not exceed 2,000,000 R shares, which corresponds to approximately 0.25% of all shares and 0.33% of all R shares in the Company. 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*

### **HYUNDAI MOBIS AGM - 20-03-2024**

#### *6. Approve Fees Payable to the Board of Directors*

The company has disclosed a ceiling amount of total compensation for directors of KRW 10 billion. However, the Company has not disclosed an amount for total Non-Executive Directors. It is therefore impossible to determine whether the fees are excessive.

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*

#### *7. Amend Articles of Incorporation*

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*

### **SAMSUNG SDI CO LTD AGM - 20-03-2024**

#### *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*

**SAMSUNG FIRE & MARINE INS AGM - 20-03-2024****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*

**2.1.1. *Elect Seong Yeong Hun - 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 Member - Seong Yeong Hun***

Non-Executive Director, member of the audit committee. Not considered to be independent due to a lack of 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. *Approval of Remuneration 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*

**NKT A/S AGM - 20-03-2024****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***

It is proposed to increase the amount payable to the Board of Directors by more than 10% per director 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. Elect Jens Due Olsen - Chair (Non Executive)*

Non-Executive Chair of the Board. The Chair is not considered to be independent owing to a tenure of over nine years. 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. Additionally, 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. Oppose vote is therefore recommended. As opposition is not a valid vote option for this resolution, abstention is recommended.

*Vote Cast: Abstain*

#### *8.E. Elect Andreas Nauen - Non-Executive Director*

Independent Non-Executive Director, Chair of the Audit Committee and Chair of the Remuneration Committee. It is considered that the Chair of the Remuneration Committee is responsible for the company's remuneration report, and owing to concerns with the company's remuneration report, opposition is recommended. As opposition is not a valid vote option for this resolution, abstention is recommended.

*Vote Cast: Abstain*

#### *9.1. Appoint the Auditors: PWC Statsautoriseret Revisionpartsslskab*

PwC proposed. Non-audit fees represented 33.33% of audit fees during the year under review and 9.68% on a three-year aggregate basis. This level of non-audit fees raises concerns about the independence of the statutory auditor. Abstention is recommended.

*Vote Cast: Abstain*

#### *9.2. Appoint the Sustainability Auditors: PWC Statsautoriseret Revisionpartsslskab*

PwC proposed. Non-audit fees represented 33.33% of audit fees during the year under review and 9.68% on a three-year aggregate basis. This level of non-audit fees raises concerns about the independence of the statutory auditor. Abstention is recommended.

*Vote Cast: Abstain*

### **SVENSKA HANDELSBANKEN AGM - 20-03-2024**

#### *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 of up to 120 Million Class A / Class B Shares and Re-issue Repurchased Shares*

It is proposed to authorise the Board to purchase up to 120 Million Class A / Class B 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 Share Repurchase Program*

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. Issuance of Convertible Tier 1 Capital Instruments*

It is proposed to issue additional Tier 1 capital bonds for up to 198,002,849 and until the AGM in 2025, at an interest rate to be determined with reference to market interest rates.

The use of Tier 1 capital bonds are not considered appropriate as they put investors at significant risk of dilution in the event that conversion occurs. Such instrument are relatively new instruments and there are concerns that they may create a situation which whilst converting some debt to equity actually disincentivises equity investors from putting more new funds in to 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. Based on these concerns, an oppose vote is recommended.

*Vote Cast: Oppose*

#### *19.1. Re-elect Jon Fredrik Baksaas - Non-Executive Director*

Non-Executive Director and member of the Audit Committee. Not considered independent owing to a tenure of over nine years. It is considered that the Audit Committee should be comprised exclusively of independent members. Regardless of the independent representation on the Board as a whole, opposition is recommended.

*Vote Cast: Oppose*

#### *19.5. Re-elect Pär Boman - Chair (Non Executive)*

Non-Executive Chair of the Board. The Chair is 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, is considered to be connected with a significant shareholder: Industrivärden AB, of which he is Deputy Chair.

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.

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: Abstain*

*19.9. Re-elect Ulf Riese - Non-Executive Director*

Non-Executive Director, Chair of the Audit Committee. Not considered independent as the director has a relationship with the Company, which is considered material. He was previously an executive at the company and has been employed by the company since 1983. It is considered that audit committees should be comprised exclusively of independent members, including the chair.

*Vote Cast: Oppose*

*20. Re-elect Pär Boman as Chair of the Board*

Non-Executive Chair of the Board. The Chair is 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, is considered to be connected with a significant shareholder: Industrivärden AB, of which he is Deputy Chair.

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.

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*

*21. Ratify PwC and Deloitte as the Auditors*

PwC and Deloitte proposed. No non-audit fees were paid to either of the auditors in the past three years. This approach is commended. PwC 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*

*23. Election of Auditor in Foundations with Associated Management*

Proposal not disclosed, abstention is recommended.

*Vote Cast: Abstain*

*24. Shareholder Resolution: Changes to the Bank's Software for Checking Customers' Payments*

**Proponent's argument:** The shareholder Mr Carl Axel Bruno has proposed the following: "I hereby request that Handelsbanken correct the software in its central computers, so that at every payment, the software checks that the payment does not exceed the customer's previous maximum payment by more than 50%. Before the new system is started, the customers' maximum payment amounts, after a preceding calculation period of two months of not yet established maximum values, can be set at approx. SEK 5,000. If a payment exceeds this maximum value, the payment shall be charged to the customer, but quarantined at the Bank for two working days, as long as the customer does not approve the payment following the Bank's verification by phone."

**Statement from Handelsbanken:** The Bank continuously works to monitor the threat from fraudsters and works intensively to identify and prevent fraud attempts. The Bank's system already provides monitoring with the aim of identifying abnormal payment behavior and stopping abnormal transactions. The Bank strives to be able to offer banking services that meet customers' requirements and wishes for security in a digital world, but does not consider that such a correction or change of software in Handelsbanken's central computer as requested by the shareholder is necessary. **PIRC Analysis:** Despite the beneficial goal of fraud prevention, it is not clear why the bank should arbitrarily cap client spending. Furthermore, the proposed process of authentication via phone may be exclusionary of visually or auditorily impaired customers. Opposition is recommended.

*Vote Cast: Oppose*

## **GJENSIDIGE FORSIKRING AGM - 20-03-2024**

### *7. 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*

### *8.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 June 2025 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*

### *8.C. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares until June 2025. 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*

### *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*

**10.B1. Re-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*

**10.B2. Re-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*

**10.C. Appoint the Auditors**

Deloitte proposed. Non-audit fees represented 0.00% of audit fees during the year under review and 11.00% 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*

**ENAGAS SA AGM - 20-03-2024**

**5. Re-elect the Auditors EY**

EY proposed. Non-audit fees represented 33.41% of audit fees during the year under review and 27.83% 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*

**6.1. Re-elect Bartolomé Lora Toro - Sociedad Estatal de Participaciones Industriales (SEPI) as Director**

Non-Executive Director and member of the Audit Committee. Not considered independent as he is a representative of SEPI, a significant shareholder. It is considered that the Audit Committee should be comprised exclusively of independent members. Regardless of the independent representation on the Board as a whole, opposition is recommended.

Vote Cast: *Oppose*

**6.4. Elect Cristóbal José Gallego Castillo - Non-Executive Director**

Independent Non-Executive Director and Member of the Nomination Committee.

At this time, individual attendance record at board and committee meetings is not disclosed. This prevents shareholders from making an informed assessment on the fulfilment of fiduciary duties and the time that directors commit to the company. It is considered that the chair of nomination committee be responsible for inaction in terms of lack of disclosure. As the chair of the nomination committee is not up for election, members of the committee are held accountable for this lack of disclosure. Opposition is recommended.

*Vote Cast: Oppose*

## **CHEIL WORLDWIDE INC AGM - 21-03-2024**

### *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*

### *2.3. Elect Kim Taihai - Executive Director*

Newly appointed Executive Director. There are concerns that more than one-third of the Board comprises of Executive Directors, and as such it is considered that there may be insufficient independent representation to protect minority shareholder interests. An oppose vote is recommended for newly appointed executive directors, while executives will correspond to more than 33% of the whole Board.

*Vote Cast: Oppose*

## **DANSKE BANK AS AGM - 21-03-2024**

### *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*

#### *5. Approve Remuneration Policy*

It is proposed to approve the remuneration policy. Variable remuneration appears to be consistently capped, and the pay-out 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 use of use adjusted metrics for its variable remuneration. The LTIP only utilises TSR as the sole metric. According to best practice, the scheme should operate at least two quantifiable performance metrics in an interdependent fashion. There are no non-financial performance measures attached to the LTIP and so the focus of remuneration policy is not the operational performance of the business as a whole or the individual roles of each of the executives in achieving that performance. Instead, the focus of the remuneration policy is financial KPIs, which mainly include factors beyond an individual director's control. This may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

#### *6.a. Re-elect Martin Blessing - Chair (Non Executive)*

Independent 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*

#### *6.f. Elect Lieve Mostrey - Non-Executive Director*

Newly appointed 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. As the oppose vote is not a valid option in this market, abstention is recommended.

*Vote Cast: Abstain*

#### *7. Re-appointment of Deloitte Statsautoriseret Revisionspartnerselskab as external auditor*

Deloitte proposed. Non-audit fees represented 11.76% of audit fees during the year under review and 10.00% 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. Amend Articles regarding extension by one year of the existing authorisation in articles 6.5.b and 6.6 regarding capital increases without pre-emption rights and issuance of convertible debt*

The Board of Directors proposes that the Board of Directors' existing authorisation, without pre-emption rights for Danske Bank's shareholders, to raise loans against bonds or other debt instruments with access to conversion to shares (convertible loans) be extended from 1 March 2028 to 1 March 2029. The purpose of the authorisation is to ensure Danske Bank's flexibility to raise loans against bonds in relation to issuance of Additional Tier 1 capital. The use of Tier 1 capital bonds are not considered appropriate as they put investors at significant risk of dilution in the event that conversion occurs. Such instrument are relatively new instruments and there are concerns that they may create a situation which whilst converting some debt to equity actually disincentivises equity investors from putting more new funds in

to 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. Based on these concerns, an oppose vote is recommended.

*Vote Cast: Oppose*

#### *9. Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares up to 10% of the share capital 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*

#### *11. Approve the Indemnification of the Board of Directors*

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*

#### *12.a. Shareholder Resolution: Proposal from Thomas Kudsk Larsen regarding improving banking benefits for shareholders*

##### **Proponent's argument:**

Thomas Kudsk Larsen proposes "that the general meeting instructs Danske Bank to improve the banking benefits for shareholders to the effect that shareholders holding as a minimum of 500 shares in Danske Bank A/S should be exempted from payment of various new customer fees, including fees such as the 'Danske Hverdag+ fee' (DKK 29 a month), 'Customers with an address outside Denmark' fee (DKK 100 a month) and other fixed fees that are not determined by the volume of business. Brokerage and other costs that are determined by the volume of business should continue to apply. . . Other listed companies in Denmark offer benefits to their shareholders. In addition, this proposal will allow private Danish citizens with an address outside of Denmark to continue as customers on the same terms as customers located in Denmark assuming they are also shareholders. This is of value for the bank and Denmark in general as such customers are often expatriated by Danish companies and public institutions to serve and act on behalf of the country.

**Company's response:** The board recommended a vote against this proposal.

**PIRC Analysis:** Despite the beneficial goal of the proposal for minority shareholders, it is not clear why the bank should arbitrarily cap client spending. Opposition is recommended.

*Vote Cast: Oppose*

**LG UPLUS CORP AGM - 21-03-2024****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. *Elect Hwang Hyeon-sik - Chair (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*

**4. *Elect Audit Committee Member: Kim Jong-Woo***

Non-Executive Director, member of the audit committee. Not considered to be independent owing to a lack of 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*

**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*

**SOCIEDAD QUIMICA Y MINERA DE CHILE - SQM EGM - 21-03-2024****3. *Transact Any Other Business with the Related Matter***

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*

#### **VALMET CORP AGM - 21-03-2024**

##### *10. Approve Remuneration Policy*

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. Opposition is recommended.

*Vote Cast: Oppose*

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

Proposal to renew the Board with a bundled election and reelect: Aaro Cantell (Vice Chair), Pekka Kempainen, 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*

##### *16. Re-appoint PricewaterhouseCoopers as the Auditors*

PwC proposed. Non-audit fees represented 8.00% of audit fees during the year under review and 10.77% 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*

##### *17. 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. On this basis, opposition is recommended.

Vote Cast: *Oppose*

## ABB LTD AGM - 21-03-2024

### 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: 99.8, Abstain: 0.2, Oppose/Withhold: 0.0,

### 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: 90.5, Abstain: 0.3, Oppose/Withhold: 9.2,

### 3. *Approve the Sustainability Report*

It is proposed that shareholders should approve on a consultative vote the Sustainability Report of the Company. The Sustainability report was 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 Sustainability Report may not accurately reflect the material and financial impact of non-traditional financial risks. Therefore abstention is recommended.

Vote Cast: *Abstain*

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

### 7.10. *Re-elect Peter Voser - Chair (Non Executive)*

Independent Non-Executive Chair 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: 91.8, Abstain: 0.5, Oppose/Withhold: 7.7,

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

KPMG proposed. Non-audit fees represented 11.90% of audit fees during the year under review and 24.85% 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: 99.4, Abstain: 0.2, Oppose/Withhold: 0.4,

## **BB BIOTECH AG AGM - 21-03-2024**

### *4.2. Re-elect Clive Meanwell - Vice Chair (Non Executive)*

Non-Executive Vice Chair of the Board, Chair of the Remuneration and Nominating Committee and member of the audit committee. Not considered to be independent as owing to a tenure of over nine years. It is considered that the Audit Committee should be comprised exclusively of independent members. Regardless of the independent representation on the Board as a whole, opposition is recommended.

Vote Cast: *Oppose*

### *5.1. Elect Audit Committee Member: Clive Meanwell*

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*

## **SYDBANK AS AGM - 21-03-2024**

### *5.1. Elect of members to the Shareholders' Committee: Fyn Odense: Tine Seehausen*

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*

### *5.2. Elect of members to the Shareholders' Committee: Fyn Odense: Robin Feddern*

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. Elect of members to the Shareholders' Committee: Fyn Svendborg: Per Nordvig Nielsen*

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. Elect of members to the Shareholders' Committee: Midtjylland: Carsten Sandbaek 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*

*5.5. Elect of members to the Shareholders' Committee: Sjaelland: Lars Mikkeltaard-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*

*5.6. Elect of members to the Shareholders' Committee: Sjaelland: Christian Bring*

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. Elect of members to the Shareholders' Committee: Sønderborg: Lars 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*

*5.8. Elect of members to the Shareholders' Committee: Sønderborg: Susanne Schou*

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. Elect of members to the Shareholders' Committee: Sønderjylland: Jacob Chr. Nielsen*

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. Elect of members to the Shareholders' Committee: Sønderjylland: Hans-Jørgen Skovby Jørgensen*

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. Elect of members to the Shareholders' Committee: Sønderjylland: Anne-Mette Elbæk Mapouyat*

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. Elect of members to the Shareholders' Committee: Sønderjylland: Martin Lentfer Petersen*

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. Elect of members to the Shareholders' Committee: Vejle: Bjarne Emborg Pedersen*

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. Elect of members to the Shareholders' Committee: Vejle: Kristine Schmidt*

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. Elect of members to the Shareholders' Committee: Aarhus: Jan Christensen*

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. Elect of members to the Shareholders' Committee: Aarhus: Mette Hejl*

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*

PwC proposed. Non-audit fees represented 54.17% of audit fees during the year under review and 51.56% on a three-year aggregate basis. This level of non-audit fees raises major concerns about the independence of the statutory auditor. As opposition is not a valid voting outcomes on this resolution, abstention is recommended.

*Vote Cast: Abstain*

*7.2. Adopt 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*

*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*

## **NOVO NORDISK A/S AGM - 21-03-2024**

### ***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.

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*

### ***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*

### ***5.2.a. Approve the Indemnification of the Board of Directors***

It is proposed to extend the indemnification to the members of the Board of Directors. The insurance policy covers the civil liability (and related legal and advisory expenses) of the members of the Board of the company 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 indemnification does not explicitly exclude that it would cover also liabilities arising from fraudulent conduct, and fines handed down by the supervisory authorities. It excludes Any sanctioned offence under applicable criminal law committed by a Board member, to the extent such losses, etc., constitute penal sanctions, including fines, or related defence costs. It also excludes Any claims raised against a Board member arising out of such Board member's wilful misconduct, gross negligence or improper acts or omissions. On this basis, shareholders would pay wilful violations and fraudulent conduct led by directors and executives. Opposition is thus recommended.

*Vote Cast: Oppose*

### ***5.2.b. Approve the Indemnification of the Executive Management***

It is proposed to extend the indemnification to the members of the Executive Management. The insurance policy covers the civil liability (and related legal and advisory expenses) of the members of the Executive Management of the company versus third parties, deriving from non-fraudulent conduct in breach of the obligations deriving from the law or intrinsic to their duties. It excludes Any sanctioned offence under applicable criminal law committed by a Board member, to the extent such losses, etc., constitute penal sanctions, including fines, or related defence costs; In addition, the indemnification 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*

#### *5.2.c. Amendments to the Articles of Association*

The Board of Directors proposes that the adoption of the Scheme for indemnification of members of the Board of Directors and Executive Management be reflected in the Articles of Association, in each case to the extent approved pursuant to agenda items 5.2(a) and 5.2(b). The Board of Directors consequently proposes the addition of the following new Article 10.11 to the Articles of Association: " The Company's general meeting has adopted a resolution approving a scheme for indemnification of current, former, and future members of the Board of Directors and Executive Management in respect of losses (including any costs, expenses and potential tax liabilities associated therewith) incurred by such persons arising out of the discharge of their duties as a director or manager of the Company. The scheme is implemented and managed by the Board of Directors in accordance with the resolution of the general meeting." In line with the recommendation for resolutions 5.2.a and 5.2.b opposition is recommended.

*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. Re-elect Helge Lund - Chair (Non Executive)*

Independent Non-Executive Chair of the Board.

On 8 December 2023, a lawsuit was accepted, alleging that Novo Nordisk failed to warn doctors about the risk gastroparesis associated with Ozempic. Novo Nordisk argued that the side effects are well documented in the drug's label which has been approved by the U.S. Food and Drug Administration. However, the lawsuit stated the severe side effects of the drugs such as severe vomiting, pain and loss of teeth. Although no wrongdoing has been identified at this time, there are concerns about the potential financial and reputational impacts of this legal affair on the company. The Chair of the Board is considered responsible for risk oversight. 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 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*

#### *6.2. Re-elect Henrik Poulsen - Vice Chair (Non Executive)*

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. There is insufficient independent representation on the Board. In addition, Mr. Poulsen is Chair of the Remuneration Committee. It is considered that the Chair of the Remuneration Committee is responsible for the company's remuneration policy, and owing to concerns with the company's remuneration policy and report. As an oppose vote is not valid in this market abstention is recommended.

*Vote Cast: Abstain*

### 6.3.3. *Re-elect Sylvie Gregoire - Non-Executive Director*

Non-Executive Director. Not considered independent owing to a tenure of nine years in the Board. There is insufficient independent representation on 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. The Director is member of the Audit Committee. It is considered that the Audit Committee should be comprised exclusively of independent members. Regardless of the independent representation on the Board as a whole. As an oppose vote is not valid in this market abstention is recommended.

Vote Cast: *Abstain*

### 6.3.4. *Re-elect Kasim Kutay - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is CEO of Novo Holdings A/S, the controlling shareholder. There is insufficient independent representation on the Board. As an oppose vote is not valid in this market abstention is recommended.

Vote Cast: *Abstain*

## 7. *Re-appoint Deloitte Statsautoriseret Revisionspartnerselskab as the Auditors of the Company*

Deloitte proposed. Non-audit fees represented 86.67% of audit fees during the year under review and 52.13% on a three-year aggregate basis. This level of non-audit fees raises major concerns about the independence of the statutory auditor. As an oppose vote is not valid in this market abstention is recommended.

Vote Cast: *Abstain*

## 8.2. *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*

## **NORDEA BANK ABP AGM - 21-03-2024**

### 11. *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. The Company has disclosed the weight of the performance target but have not quantified the target itself for the future policy. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. On balance, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 95.8, Abstain: 0.0, Oppose/Withhold: 4.2,

### 14E. *Re-elect Lene Skole - Vice Chair (Non Executive)*

Independent Non-Executive Vice Chair of the Board. 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: 99.3, Abstain: 0.0, Oppose/Withhold: 0.7,

#### 16. *Appoint the Auditors*

PwC proposed. Non-audit fees represented 11.11% of audit fees during the year under review and 12.00% 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: 99.9, Abstain: 0.0, Oppose/Withhold: 0.1,

#### 18. *Appoint the Sustainability Reporting Assurer*

PwC proposed. Non-audit fees represented 11.11% of audit fees during the year under review and 12.00% 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: 99.9, Abstain: 0.0, Oppose/Withhold: 0.1,

#### 22. *Authorise Share Repurchase*

It is proposed to authorise the Board to purchase Company's shares for 9.7% of the share capital and an 18 month period. 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,

#### 23. *Reissue of Treasury Shares with Pre-emption Rights Disapplied*

The Board requests authority to issue new shares or transfer treasury shares for a total of 0.9% of all shares in the company. The two proposed reasons are to implement the company's variable pay plans and to use as payment for corporate acquisitions. It is acceptable for the company to issue shares for its long term incentive plans previously approved, as the company has a legal duty to fund approved plans. However, we would expect the company to specify a particular acquisition in order to approve of the share reissue for the latter reason. It is regrettable that these proposals have been bundled, and it is considered that shareholders should have the opportunity to approve them separately. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 99.9, Abstain: 0.0, Oppose/Withhold: 0.1,

### **ORION CORP (SOUTH KOREA) AGM - 21-03-2024**

#### 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. Amend Articles*

The Board proposes the amendment of 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. Re-elect Wook Lee - 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*

### *3.2. Elect Song Chan Yeop - Non-Executive Director*

Independent Non-Executive Director. Not considered independent due to a lack of disclosure. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

### *4.1. Elect Audit Committee Member: Wook 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: Song Chan Yeop*

Non-Executive Director, member of the audit committee. Not considered to be independent due to lack of 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*

## *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*

## BANCO SANTANDER SA AGM - 21-03-2024

### 4. *Re-appoint PwC as the Auditors of the Company for Financial Year 2024*

PwC proposed. Non-audit fees represented 6.42% of audit fees during the year under review and 5.24% 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: 99.2, Abstain: 0.3, Oppose/Withhold: 0.5,

### 5.A. *Approve General Share Issue Mandate*

It is proposed to authorize the Board to issue shares with or without without pre-emptive rights, for up to 50% and 10% of the current share capital, respectively. The authority is valid for the next five years. While the duration is in accordance with Article 297.1.b and 506 of the Capital Companies Act, it is deemed excessive as it is believed that shareholders should decide upon such resolutions annually.

Vote Cast: *Oppose*

Results: For: 95.0, Abstain: 0.2, Oppose/Withhold: 4.8,

### 6.D. *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: 95.4, Abstain: 0.3, Oppose/Withhold: 4.4,

### 6.E. *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: 98.4, Abstain: 0.3, Oppose/Withhold: 1.2,

## CAIXABANK SA AGM - 21-03-2024

### 1.3. *Approval of Board of Directors' Management*

Standard resolution. At the company, there is a partially external whistle-blowing hotline. This suggests that such concerns that should be raised by a whistle-blower are dealt with mostly 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: 99.7, Abstain: 0.2, Oppose/Withhold: 0.1,

### 3. *Re-appoint PwC as the Auditors of the Company*

PwC proposed. Non-audit fees represented 5.32% of audit fees during the year under review and 3.03% 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: 99.5, Abstain: 0.2, Oppose/Withhold: 0.3,

### 5.3. *Approve General Share Issue Mandate*

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*

Results: For: 98.0, Abstain: 0.1, Oppose/Withhold: 2.0,

### 5.4. *Authorisation to the Board to Issue Debentures or Bonds*

It is proposed to issue additional Tier 1 capital bonds for up to EUR 3,500,000,000 for five years, at an interest rate to be determined with reference to market interest rates.

The use of Tier 1 capital bonds are not considered appropriate as they put investors at significant risk of dilution in the event that conversion occurs. Such instrument are relatively new instruments and there are concerns that they may create a situation which whilst converting some debt to equity actually disincentivises equity investors from putting more new funds in to 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. Based on these concerns, an oppose vote is recommended.

Vote Cast: *Oppose*

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

## TRYG AS AGM - 21-03-2024

### 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 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*

### 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 until 31 December 2025. 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.E. 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. The Company has disclosed the weight of the performance target but have not quantified the target itself for the future policy. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. On balance, abstention is recommended.

*Vote Cast: Abstain*

#### *7.4. Re-elect Thomas Hofman-Bang - Non-Executive Director*

Non-Executive Director, chair of the audit committee. Although there are concerns over potential aggregate time commitments, this director has attended all Board and committee meetings during the year under review. 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. As opposition is not a valid vote option for this resolution, abstention is recommended.

*Vote Cast: Abstain*

#### *8. Appoint the Auditors*

PwC proposed. Non-audit fees represented 42.86% of audit fees during the year under review and 47.06% 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*

### **CORPORACION INMOBILIARIA VESTA SAB DE CV AGM - 21-03-2024**

#### *8. Authorise 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*

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

Proposal to elect the Board with a bundled election. 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 or committee 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*

#### *10. Approve Fees Payable to the Board of Directors and Committees*

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*

#### *11. Approve 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*

### **CORPORACION INMOBILIARIA VESTA SAB DE CV EGM - 21-03-2024**

#### *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 100,000,000 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*

## ESSITY AB AGM - 21-03-2024

### 8A. *Approve Financial Statements*

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. 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 oppose this resolution.

Vote Cast: *Oppose*

### 12D. *Elect Magnus Groth*

Chief Executive. As the Company has not constituted a Sustainability Committee, and a new Board Chair is proposed at the meeting, the Chief Executive is considered accountable for the company's Sustainability programme. As there are concerns over the Company's sustainability policies and practice an oppose vote is recommended.

Vote Cast: *Oppose*

### 12H. *Elect Barbara Milian Thoralfsson*

Non-Executive Director, Chair of the Audit Committee. Not considered independent as the director has a relationship with the Company, which is considered material, owing to previous directorship at SCA since 2012, of which Industrivarden was also a significant shareholder. It is considered that audit committees should be comprised exclusively of independent members, including the chair. Furthermore, at the company, it is not clear if the the Audit Committee explicitly oversees and is alerted to cases from the Company's whistleblowing 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. Overall, opposition is recommended.

Vote Cast: *Oppose*

### 14. *Appoint EY as Auditors*

EY proposed. Non-audit fees represented 5.49% of audit fees during the year under review and 10.09% 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 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*

#### *16. 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. The Company has not fully disclosed past achievements and quantified future targets. Furthermore, 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, abstention is recommended.

*Vote Cast: Abstain*

#### *17. 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*

#### *18A. 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*

#### *18B. Transfer of own shares on account of company acquisitions*

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*

### **KAO CORPORATION AGM - 22-03-2024**

#### *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 158.9%, which at more than 100% payout, is considered unwise given the capital maintenance needs of the company. Opposition is recommended.

*Vote Cast: Oppose*

#### *2.8. Elect Takashima Makoto - Non-Executive Director*

Newly appointed Non-Executive Director, not considered independent as the candidate is considered to be connected to an affiliated ban. Opposition is recommended.

*Vote Cast: Oppose*

### **KB FINANCIAL GROUP AGM - 22-03-2024**

#### *3. Elect Director and Audit Committee member: Seon-joo Kwon*

Independent Non-Executive Director, Member of the Audit Committee. The Company has not provided any information regarding its audit fees. This lack of transparency hinders shareholder accountability and undermines the trust in the company's financial practices. As the Chair of the Audit Committee is not up for election at this meeting, abstention from the election of a Member of the Committee is recommended to express this concern.

*Vote Cast: Abstain*

#### *4.1. Elect Audit Committee member: Whajoon Cho*

Independent Non-Executive Director, Member of the Audit Committee. The Company has not provided any information regarding its audit fees. This lack of transparency hinders shareholder accountability and undermines the trust in the company's financial practices. As the Chair of the Audit Committee is not up for election at this meeting, abstention from the election of a Member of the Committee is recommended to express this concern.

*Vote Cast: Abstain*

#### *4.2. Elect Audit Committee member: Gyutaeg Oh*

Independent Non-Executive Director, Member of the Audit Committee. The Company has not provided any information regarding its audit fees. This lack of transparency hinders shareholder accountability and undermines the trust in the company's financial practices. As the Chair of the Audit Committee is not up for election at this meeting, abstention from the election of a Member of the Committee is recommended to express this concern.

*Vote Cast: Abstain*

#### *4.3. Elect Audit Committee member: Sung-Yong Kim*

Independent Non-Executive Director, Member of the Audit Committee. The Company has not provided any information regarding its audit fees. This lack of transparency hinders shareholder accountability and undermines the trust in the company's financial practices. As the Chair of the Audit Committee is not up for election at this meeting, abstention from the election of a Member of the Committee is recommended to express this concern.

*Vote Cast: Abstain*

#### *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*

### **HANA FINANCIAL HOLDINGS AGM - 22-03-2024**

#### *3.1. Elect Audit Committee member Lee Jung-won*

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*

### **SCA (SVENSKA CELLULOSA) AB AGM - 22-03-2024**

#### *8A. 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*

#### *12.3. 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 insufficient independent representation on the Board.

*Vote Cast: Oppose*

*12.6. Elect Martin Lindqvist - Non-Executive Director*

Non-Executive Director. Not independent as the director is CEO of SSAB, which is in the portfolio of Industrivarden. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*12.8. Elect Barbara Milian Thoralfsson - Non-Executive Director*

Non-Executive Director and Chair of the Audit Committee. Not considered independent owing to a tenure of over nine years, and due to the director being a board member of Essity, which is owned by Industrivarden, a significant shareholder of the Company. There is insufficient independent representation on the Board.

At the company, the Audit Committee does not oversee the whistle-blowing hotline. This may increase the risk of such issues not being followed up or escalated which may mean the issue is 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. Opposition is recommended

*Vote Cast: Oppose*

*12.9. Elect Helena Stjernholm - Chair (Non Executive)*

Non-Executive Chair of the Board. The Chair is not considered independent as is Chief Executive of AB Industrivärden, a significant shareholder. 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*

*13. Elect Helena Stjernholm as Chair*

Non-Executive Chair of the Board. The Chair is not considered independent as is Chief Executive of AB Industrivärden, a significant shareholder. 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*

*14. Appoint the Auditors*

EY proposed. Non-audit fees represented 8.33% of audit fees during the year under review and 9.09% 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 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. Resolution on a long-term cash-based incentive program for 2023-2025*

The Board proposes the approval of a new incentive plan. Under the plan, the CEO and other executives will be awarded options or rights to receive cash. As a result, they may receive bonuses unrelated to their performance or even the performance of the Company as a whole, which is considered 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. They act as a complex and opaque hedge against absolute Company underperformances. They are also a significant factor in reward for failure.

*Vote Cast: Oppose*

## **CEMEX SAB DE CV AGM - 22-03-2024**

### *3. Set Maximum 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. Amend Existing Long Term Incentive Plan*

The Board seeks to approve amendments to long term incentive plan. Under the plan, participants will be allotted shares or rights to shares. Performance targets 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*

### *5. Elect Rogelio Zambrano Lozano - 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*

*20. Elect Chair of the Audit Committee: Everardo Elizondo Almaguer*

Non-Executive Director, member of the audit committee Chair. 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*

*21. Elect Audit Committee: Francisco Javier Fernández-Carbajal*

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*

*7. Elect Marcelo Zambrano Lozano - Non-Executive Director*

Non-Executive Director. Not considered independent as the director is connected with a significant shareholder: the Zambrano family, the founders of the Company. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*8. Elect Armando García Segovia - Non-Executive Director*

Non-Executive Director. Not considered to be independent as he is a first cousin of Rodolfo García Muriel, a member of the Board. In addition, he has been on the Board for more than nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*9. Elect Francisco Javier Fernández-Carbajal - Non-Executive Director*

Non-Executive Director. Not considered to be independent as brother of Mr. José Antonio Fernández Carbajal, former member of the board of directors until 23 February 2012, and president and chief executive officer of Fomento Empresarial Mexicano, S.A.B. de C.V. (FEMSA). CEMEX pays and receives various amounts to and from FEMSA for products and services for varying amounts on market terms. Additionally, not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*10. Elect Rodolfo García Muriel - Non-Executive Director*

Non-Executive Director. Not considered to be independent as he is a first cousin of Armando J. García Segovia. He has also served on the Board for more than nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*11. Elect Armando Garza Sada - Non-Executive Director*

Non-Executive Director. Not considered to be independent as he is on the board of Fomento Empresarial Mexicano, S.A.B. de C.V. (FEMSA). CEMEX pays and receives to and from FEMSA for products and services for varying amounts on market terms. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*13. Elect Everardo Elizondo Almaguer - 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*

*14. Elect Ramiro Gerardo Villarreal Morales - Non-Executive Director*

Non-Executive Director. Not considered independent as the director was previously employed by the Company as CEO. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

*25. Elect Chair of Corporate Practices and Finance Committee: Francisco Javier Fernández-Carbajal*

Non-Executive Director, Corporate Practices and Finance Committee Chair. 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*

*26. Elect member of the Corporate Practices and Finance Committee: Rodolfo García Muriel*

Non-Executive Director, Corporate Practices and Finance Committee member. 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*

*27. Elect member of the Corporate Practices and Finance Committee: Ramiro Gerardo Villarreal Morales*

Non-Executive Director, Corporate Practices and Finance Committee member. 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*

*30. Elect Sustainability, Climate Action, Social Impact and Diversity Committee Chair: Armando García Segovia*

Non-Executive Director, Sustainability, Climate Action, Social Impact and Diversity Committee Chair. 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*

*31. Elect Sustainability, Climate Action, Social Impact and Diversity Committee: Marcelo Zambrano Lozano*

Non-Executive Director, member of the Sustainability, Climate Action, Social Impact and Diversity 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*

**WOORI FINANCIAL GROUP INC AGM - 22-03-2024**

*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*

**FOMENTO ECONOMICO MEXICANO AGM - 22-03-2024**

*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 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*

#### *4. 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*

#### *5. 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*

#### *6. Elect Mariana 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. In addition, not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *8. Elect Alfonso Garza Garza - Non-Executive Director*

Non-Executive Director. He is former 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. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

#### *10. Elect Alejandro Baillères 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*

#### *11. 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*

*13. 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*

*14. 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*

*18. Elect Alternate Director: Elane Stock*

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*

*19. 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*

*20. Elect Alternate Director: Francisco Zambrano Rodriguez*

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*

*21. Elect Alternate Director: Alfonso Gonzalez Migoya*

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*

*22. 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*

#### *24. Election of members of the following Committees: Operation and Strategy, Audit, and Corporate Practices and Nominations and Approve Remuneration*

It is proposed to appoint the members and chair of the Operation and Strategy, Audit, and Corporate Practices and Nomination Committees via slate election and their respective remuneration. Individual election would be preferred and the majority of the candidates are not considered to be independent. Opposition is recommended.

*Vote Cast: Oppose*

### **FORTUM OYJ AGM - 25-03-2024**

#### *7. Approve Financial Statements*

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. 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 oppose this resolution.

Despite having some climate targets, the company has neither a clear commitment to net zero by 2050 or an adequate short-term target. These targets are considered essential for companies that are strategically important for the transition to net zero. Having a target for net zero by 2050 at the latest shows overall commitment of the company to adequately manage climate risks. Short term emission reductions are required to keep alive the ambition of holding global warming to 1.5 degrees while short term targets are also critical for accountability purposes. Given the time passed since the Paris Agreement and the scale investment risks posed by climate change neither having an adequate short term target nor a net zero by 2050 commitment is considered to fall short of best practice and poses a major risk for investors. As such, an oppose vote is recommended.

*Vote Cast: Oppose*

#### *11. 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*

#### *12. 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% per director 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*

#### *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 sufficient independent representation on the Board after the meeting as resulting from this slate of candidates.

Despite having some climate targets, the company has neither a clear commitment to net zero by 2050 or an adequate short-term target. These targets are considered essential for companies that are strategically important for the transition to net zero. Having a target for net zero by 2050 at the latest shows overall commitment of the company to adequately manage climate risks. Short term emission reductions are required to keep alive the ambition of holding global warming to 1.5 degrees while short term targets are also critical for accountability purposes. Given the time passed since the Paris Agreement and the scale investment risks posed by climate change neither having an adequate short term target nor a net zero by 2050 commitment is considered to fall short of best practice and poses a major risk for investors. Normally, opposition of the chair would be recommended. However, due to the impossibility of issuing recommendations on individual directors in the event of slate elections, opposition is recommended to the whole slate.

*Vote Cast: Oppose*

#### *16. Appoint Deloitte as Auditors*

Deloitte proposed. Non-audit fees represented 8.70% of audit fees during the year under review and 11.39% 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*

#### *18. Appoint Deloitte as Sustainability Reporting Assurer*

Deloitte proposed. Non-audit fees represented 8.70% of audit fees during the year under review and 11.39% 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*

#### *20. 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*

### **LG CHEMICAL LTD AGM - 25-03-2024**

#### *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*

## ADVANCED INFO SERVICE PCL AGM - 25-03-2024

### 5.1. *Elect Kan Trakulhoon - Chair (Non Executive)*

Non-Executive Chair of the Board and Chair of the Nominating Committee. The Chair is not considered to be independent as the director is considered to be connected with a significant shareholder: Intouch Holdings Plc. Also, there are concerns over the director's potential aggregate time commitments. 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.

Regardless of local practice or recommendations, or average percentage of diversity on the boards of local listed companies, it is considered that gender diversity should be explicitly taken into account when appointing directors. Namely, it is considered that at least one-third of the board should be reserved for the less represented gender. There is an increasing amount of research that suggests that more diverse companies actually perform better than less diverse companies, and they lead to higher returns. By seemingly not including diversity in the composition of the board, and not having an adequate target to do so, it is considered that the company is not taking into account the materiality of non-financial factors, which could be detrimental for shareholders. Opposition is recommended.

*Vote Cast: Oppose*

### 5.2. *Elect Gerardo Ablaza - 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 2024*

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*

## SKF AB AGM - 26-03-2024

### 14.1. *Re-elect Hans Stråberg - Chair (Non Executive)*

Non-Executive Chair of the Board, Chair of the Remuneration Committee and a Member of the Nomination Committee. 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. Additionally, As Chair of the Remuneration Committee, Mr. Hans Stråberg is responsible for the company's remuneration report, and owing to concerns with the company's remuneration report, an opposition vote is recommended.

Furthermore, Regardless of local practice or recommendations, or average percentage of diversity on the boards of local listed companies, it is considered that gender diversity should be explicitly taken into account when appointing directors. Namely, it is considered that at least one-third of the board should be reserved for the less represented gender. There is an increasing amount of research that suggests that more diverse companies actually perform better than less diverse companies, and they lead to higher returns. By seemingly not including diversity in the composition of the board, and not having an adequate target to do so, it is considered that the company is not taking into account the materiality of non-financial factors, which could be detrimental for shareholders. Overall opposition is recommended.

*Vote Cast: Oppose*

#### *14.4. Re-elect Hakan Buskhe - Vice Chair (Non Executive)*

Non-Executive Director, Chair of the Audit Committee. Not considered independent as the director sits on the Board of FAM AB, a significant shareholder. It is considered that audit committees should be comprised exclusively of independent members, including the chair.

*Vote Cast: Oppose*

#### *15. Re-elect Hans Stråberg as the Chair of the Board*

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*

#### *16. Approve the Remuneration Report*

It is proposed to approve the remuneration paid or due to executives. The payout for fiscal 2023 is under 200% of the fixed salary, however it is not disclosed whether the payout is consistently capped. Additionally, 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 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 New Performance Share Programme 2024*

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. The allotment of shares shall be related to the level of achievement of the Total Value Added (TVA) target, as defined by the Board of Directors, and the SKF Group's CDP Climate Change score. The TVA performance measure is weighted 80% and the CDP Climate Change score performance measure is weighted 20%. Over the three-year programme period (2024-2026), the TVA performance target range is set annually by the Board of Directors against the baseline of the actual TVA achieved in the previous year. Under the programme, not more than in total 1,000,000 SKF B

shares may be allotted.

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*

#### **NAVER CORP AGM - 26-03-2024**

##### *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*

#### **BRIDGESTONE CORP AGM - 26-03-2024**

##### *2.3. Elect Scott Trevor Davis - Non-Executive Director*

Incumbent Non-Executive Director, not considered independent as the candidate's tenure exceeds nine years,

*Vote Cast: Oppose*

##### *2.4. Elect Okina Yuri - Non-Executive Director*

Incumbent Non-Executive Director, not considered independent as the candidate's tenure exceeds nine years,

*Vote Cast: Oppose*

##### *2.5. Elect Masuda Kenichi - Non-Executive Director*

Incumbent Non-Executive Director, not considered independent as the candidate's tenure exceeds nine years,

*Vote Cast: Oppose*

#### **CELLTRION INC AGM - 26-03-2024**

##### *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. Amend Articles of Incorporation*

The Board proposes a partial amendment to the Articles of incorporation. 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. Re-elect Seo Jin-seok - 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*

### *3.4. Re-elect Dae Hyun Yoo - Non-Executive Director*

Non-Executive Director and Chair of the Nomination Committee.

Regardless of local practice or recommendations, or average percentage of diversity on the boards of local listed companies, it is considered that gender diversity should be explicitly taken into account when appointing directors. Namely, it is considered that at least one-third of the board should be reserved for the less represented gender. There is an increasing amount of research that suggests that more diverse companies actually perform better than less diverse companies, and they lead to higher returns. By seemingly not including diversity in the composition of the board, and not having an adequate target to do so, it is considered that the company is not taking into account the materiality of non-financial factors, which could be detrimental for shareholders. Opposition is recommended.

*Vote Cast: Oppose*

### *3.5. Re-elect Soon Woo Lee - Non-Executive Director*

Non-Executive Director and Chair of the Remuneration Committee. It is considered that the Chair of the Remuneration Committee is responsible for the company's remuneration policy, and owing to concerns with the company's remuneration policy, opposition is recommended.

*Vote Cast: Oppose*

### *5.1. Elect Audit Committee Member: Young Hyeh Ko*

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*

#### *6. 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*

#### *7. Approve New Executive Share Option Plan*

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. Amend Articles: Retirement allowances for directors*

The Board proposes to amend Articles related to retirement allowance payments for directors. 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*

### **SHISEIDO CO LTD AGM - 26-03-2024**

#### *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 30 yen per share is proposed, and the dividend payout ratio is approximately 110.2%. which at more than 100% payout, is considered unwise given the capital maintenance needs of the company.

*Vote Cast: Oppose*

### **SWEDBANK AB AGM - 26-03-2024**

#### *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*

*13.I. Re-elect Göran Persson - Chair (Non Executive)*

Independent Non-Executive Chair of the Board and Chair of the Sustainability Committee. The Chair of the Remuneration and 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*

*13.E. Re-elect Helena Liljedahl - 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*

*13.H. Re-elect Biljana Pehrsson - 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*

*14. Elect Goran Persson as Chair of the Board*

Independent Non-Executive Chair of the Board and Chair of the Sustainability Committee. The Chair of the Remuneration and 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*

*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*

*17. Decision to acquire own shares pursuant to the Securities Market Act*

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*

*20.B. Approve Deferred Share Bonus Plan for Key Employees (IP 2024)*

It is proposed to approve a restricted share plan for key employees and corporate officers for up to 100% of the share capital in aggregate. The Board would receive the authority to set beneficiaries and other conditions. After allotment, one part of the performance shares will be received in the first half of 2026 and payment of deferred cash will be made in 2029, after a five-year deferral period, which is considered to be sufficiently long term. The Company states that exercise of shares will be based on targets, which have not been disclosed.

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*

*20.C. Approve Enabling Proposal*

The Board requests authority to repurchase and re-issue the shares to participants in the Eken Programme and the Individual Performance Plan. This is considered to be an enabling resolution to resolutions 20.A and 20.B. Due to concerns over resolution 20.B, opposition is recommended.

*Vote Cast: Oppose*

*23. Shareholder Resolution: Bank Software*

**Proponent's argument:** Shareholder Carl Axel Bruno proposes that the company changes the mainframe software, to ensure that "Swedbank corrects the software in its central computers, so that, for each payment, the software checks that the payment does not exceed the customer's own previous maximum payment by more than 50 %".

**Company's response:** The Board have not issued a response to this proposal.

**PIRC analysis:** Despite the beneficial goal of fraud prevention, it is not clear why the bank should arbitrarily cap client spending. Furthermore, the proposed process of authentication via phone may be exclusionary of visually or auditorily impaired customers. Opposition is recommended.

*Vote Cast: Oppose*

**SIKA AG AGM - 26-03-2024**

*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: 99.9, Abstain: 0.1, Oppose/Withhold: 0.0,

#### 4.1.3. *Re-elect Justin Howell*

Independent Non-Executive Director and Chair of the Remuneration Committee. It is considered that the Chair of the Remuneration Committee is responsible for the company's remuneration report, and owing to concerns with the company's remuneration report, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 94.4, Abstain: 0.1, Oppose/Withhold: 5.5,

#### 4.1.5. *Re-elect Monika Ribar*

Non-Executive Director, Chair of the Audit Committee. Not considered independent owing to a tenure of over nine years. It is considered that audit committees should be comprised exclusively of independent members, including the chair.

In addition, at the company, the Audit Committee does not oversee the whistle-blowing hotline. This may increase the risk of such issues not being followed up or escalated which may mean the issue is 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. Opposition is recommended

Vote Cast: *Oppose*

Results: For: 90.8, Abstain: 0.7, Oppose/Withhold: 8.5,

#### 4.1.7. *Re-elect Thierry Vanlancker*

Independent Non-Executive 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: 99.4, Abstain: 0.1, Oppose/Withhold: 0.5,

#### 4.4.3. *Appoint Paul Schuler as Member of the Nomination and Compensation Committee*

Non-Executive Director, candidate to the Remuneration Committee on this resolution. Not considered to be independent as the director was previously employed by the Company as CEO from 2017 to 2021. It is considered that the Remuneration Committee should consist exclusively of independent members. Opposition is recommended.

Vote Cast: *Oppose*

Results: For: 93.2, Abstain: 0.4, Oppose/Withhold: 6.5,

#### 5. *Approve Sustainability Report*

The Sustainability Report 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: 99.7, Abstain: 0.2, Oppose/Withhold: 0.0,

#### 6.1. *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: 91.9, Abstain: 3.7, Oppose/Withhold: 4.4,

### 6.3. *Approval of the future compensation of Group Management*

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 23 million (an increase of CHF 1.5 million from 2023). This proposal includes fixed and variable remuneration components.

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, opposition is recommended based on excessiveness concerns.

Vote Cast: *Oppose*

Results: For: 97.6, Abstain: 0.4, Oppose/Withhold: 1.9,

### 7. *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*

## **SIAM CEMENT PCL AGM - 27-03-2024**

### 4.1. *Re-elect Satitpong Sukvimol - Chair (Non Executive)*

Non-Executive Chair of the Board. Not considered independent as the director is considered to be connected with H.M. King Maha Vajiralongkorn, the controlling shareholder of the company. Although there are concerns over potential aggregate time commitments, this director has attended all Board and committee meetings during the year under review. On aggregate, opposition is recommended.

Vote Cast: *Oppose*

### 4.2. *Re-elect Chumpol NaLamlieng - Vice Chair (Non Executive)*

Non Executive Vice Chair of the Board and Chair of the Nomination Committee. Not considered independent as owing to a tenure of over nine years and previously serving as President. There is insufficient independence representation on the Board.

Furthermore, regardless of local practice or recommendations, or average percentage of diversity on the boards of local listed companies, it is considered that gender diversity should be explicitly taken into account when appointing directors. Namely, it is considered that at least one-third of the board should be reserved for the less



represented gender. There is an increasing amount of research that suggests that more diverse companies actually perform better than less diverse companies, and they lead to higher returns. By seemingly not including diversity in the composition of the board, and not having an adequate target to do so, it is considered that the company is not taking into account the materiality of non-financial factors, which could be detrimental for shareholders. Opposition is recommended.

*Vote Cast: Oppose*

#### *4.4. Re-elect Suphachai Chearavanont - 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*

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

KPMG proposed. Non-audit fees represented 14.34% of audit fees during the year under review and 28.33% 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*

#### *6. 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*

### **NESTE AGM - 27-03-2024**

#### *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*

#### *11. 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. The Company has disclosed quantified targets for performance criteria for the entirety of its variable remuneration component. Nevertheless, there are concerns on the Annual Bonus the payment of the Bonus is on cash and there is no deferral

part on it. The performance measures are applied independently and can vest regardless of the performance in respect to other elements. Performance period for the LTIP award is three years which is not considered sufficiently long-term. In addition, there is no holding period on the LTIP awards. Furthermore, 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. This may lead to overpayment against underperformance. On balance, abstention is recommended.

*Vote Cast: Abstain*

#### *12. 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% per director 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*

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

KPMG proposed. Non-audit fees represented 68.75% of audit fees during the year under review and 66.67% on a three-year aggregate basis. This level of non-audit fees raises major concerns about the independence of the statutory auditor. Therefore, opposition is recommended.

*Vote Cast: Oppose*

#### *18. Appoint the Sustainability Reporting Assurer*

KPMG proposed. Non-audit fees represented 68.75% of audit fees during the year under review and 66.67% on a three-year aggregate basis. This level of non-audit fees raises major concerns about the independence of the statutory auditor. Therefore, opposition is recommended.

*Vote Cast: Oppose*

#### *19. 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*

#### *20. 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*

## **VOLVO AB AGM - 27-03-2024**

### **9. 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.

Despite having some climate targets, the company has neither an adequate commitment to net zero by 2050 or an adequate short-term target. These targets are considered essential for companies that are strategically important for the transition to net zero. Having a target for net zero by 2050 at the latest shows overall commitment of the company to adequately manage climate risks. Short term emission reductions are required to keep alive the ambition of holding global warming to 1.5 degrees while short term targets are also critical for accountability purposes. Given the time passed since the Paris Agreement and the scale investment risks posed by climate change neither having an adequate short term target nor a net zero by 2050 commitment is considered to fall short of best practice and poses a major risk for investors. As such, an oppose vote is recommended.

*Vote Cast: Oppose*

### **14.1. Re-elect Matti Alahuhta - Non-Executive Director**

Non-Executive Director and Member of the Remuneration Committee. Not considered independent owing to a tenure of over nine years. However, there is sufficient independent representation on the Board. It is considered that the members of the remuneration committee are responsible for the company's remuneration policy and report, and owing to concerns with the company's remuneration practices, opposition is recommended.

*Vote Cast: Oppose*

### **14.3. Elect Pär Boman - Chair (Non Executive)**

Non-Executive Chair of the Board. The Chair is not considered independent as the director is considered to be connected with a significant shareholder: AB Industrivärden, where he is Vice Chair of the Board. 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*

### **14.8. Re-elect Martin Lundstedt - Chief Executive**

Chief Executive. As neither there is no Sustainability Committee and the Board Chair is not up for re-election, the Chief Executive is considered accountable for the Company's sustainability programme. There are concerns over the Company's sustainability policies and practice.

Despite having some climate targets, the company has neither an adequate commitment to net zero by 2050 or an adequate short-term target. These targets are considered essential for companies that are strategically important for the transition to net zero. Having a target for net zero by 2050 at the latest shows overall commitment of the company to adequately manage climate risks. Short term emission reductions are required to keep alive the ambition of holding global warming to 1.5 degrees while short term targets are also critical for accountability purposes. Given the time passed since the Paris Agreement and the scale investment risks posed by climate change neither having an adequate short term target nor a net zero by 2050 commitment is considered to fall short of best practice and poses a major risk for investors. As such, an oppose vote is recommended.

Vote Cast: *Oppose*

**15. Elect Pär Boman - Chair (Non Executive)**

Non-Executive Chair of the Board. The Chair is not considered independent as the director is considered to be connected with a significant shareholder: AB Industrivärden, where he is Vice Chair of the Board. 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*

**17. Re-appoint Deloitte as the Auditors**

Deloitte proposed. Non-audit fees represented 37.14% of audit fees during the year under review and 17.44% 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*

**19. 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*

**SWISSCOM AGM - 27-03-2024**

**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: 0.1, 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, 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*

Results: For: 84.8, Abstain: 0.3, Oppose/Withhold: 14.9,

### 1.3. *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: 97.5, Abstain: 0.3, Oppose/Withhold: 2.2,

### 4.1. *Re-elect Michael Rechsteiner - Chair (Non Executive)*

Non-Executive Chair of the Board. As the Company do not have a Board 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: 96.0, Abstain: 0.7, Oppose/Withhold: 3.2,

### 4.2. *Re-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: 99.2, Abstain: 0.3, Oppose/Withhold: 0.5,

### 4.3. *Re-elect Monique Bourquin - 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: 98.5, Abstain: 0.4, Oppose/Withhold: 1.1,

### 5.1. *Elect Remuneration Committee - Roland Abt*

This director is considered to be independent. Support would be normally recommended. However, due to the concerns over the potential aggregate time commitments for this Director, it is believed that they may not have the sufficient time for this position as member of the Remuneration Committee. On balance, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 99.1, Abstain: 0.4, Oppose/Withhold: 0.5,

#### 5.2. *Elect Remuneration Committee - Monique Bourquin*

This director is considered to be independent. Support would be normally recommended. However, due to the concerns over the potential aggregate time commitments for this Director, it is believed that they may not have the sufficient time for this position as member of the Remuneration Committee. On balance, abstention is recommended.

Vote Cast: *Abstain*

Results: For: 97.7, Abstain: 0.4, Oppose/Withhold: 1.8,

#### 5.3. *Elect Remuneration Committee - Frank Esser*

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: 99.1, Abstain: 0.4, Oppose/Withhold: 0.6,

#### 5.5. *Elect Remuneration Committee - Fritz Zurbrügg*

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: 96.5, Abstain: 0.4, Oppose/Withhold: 3.1,

#### 6.2. *Approve Executive Directors' Fees*

It is proposed to increase the maximum amount payable to the Executive Board by more than 10% on average per member and 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: 97.1, Abstain: 0.3, Oppose/Withhold: 2.6,

#### 8. *Re-appoint PricewaterhouseCoopers AG, Zurich as the Auditors of the Company*

PwC proposed. Non-audit fees represented 57.76% of audit fees during the year under review and 24.12% on a three-year aggregate basis. This level of non-audit fees raises major concerns about the independence of the statutory auditor. Therefore, opposition is recommended.

Vote Cast: *Oppose*

Results: For: 97.5, Abstain: 0.1, Oppose/Withhold: 2.5,

#### 9. *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*

### MINAS BUENAVENTURA SA AGM - 27-03-2024

#### [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 proposed. An adequate break-down of the nature of non-audit fees is not provided, which makes the assessment of auditor's independence based on the non-audit fee impossible. The date of appointment of the auditor is not disclosed, meaning that there are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor. An oppose vote is recommended.

Vote Cast: *Oppose*

### SAMHALLSBYGGNADSBOLAGET I NORDEN AB EGM - 27-03-2024

#### [7. Approve Warrant Program](#)

It is proposed to approve a warrant program for employees and corporate officers. The Board would receive the authority to set beneficiaries and other conditions. After allotment, shares will be restricted for three years, which is not considered to be sufficiently long term. The Company didn't disclosed the performance targets. 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*

### SK HYNIX AGM - 27-03-2024

#### [2. Amend Articles of Incorporation](#)

The Board proposes to amend the Articles of Incorporation. 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*

#### [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*

#### *8. Amend Articles: Executive Officer Severance Payment*

The Board proposes to amend the Company Regulation on Executive Officer Severance Payment. 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*

### **BANCO DE CHILE AGM - 28-03-2024**

#### *C. 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*

#### *F. 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*

#### *J. 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*

### **MARCOPOLO SA AGM - 28-03-2024**

#### *5.1. Elect One as Fiscal Council Member and one as Alternate: Ademar Baroni and Mariana Chaves Barcellos*

It is proposed to appoint members of the Fiscal Council in a bundled election: Ademar Baroni as standing member, Mariana Chaves Barcellos 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 Ademar Baroni is not considered to be independent, as the director has a relationship with the Company, which is considered material. He was Director of the Marcopolo Foundation from April 2007 to September 2015. In addition has been Executive positions in the company from 1979 to 2015. On this basis, opposition is recommended.

*Vote Cast: Oppose*

#### **TIM SA AGM - 28-03-2024**

##### *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*

##### *A3. Elect Gigliola Bonino - Non-Executive Director*

Non-Executive Director. Not considered independent as the director has a relationship with the Company, which is considered material. She is Head of Financial Reporting, Accounting & Revenue Assurance Department of TIM S.p.A. and the TIM Group. There is insufficient independent representation on the Board.

*Vote Cast: Oppose*

##### *A5. Slate Election for Board of Fiscal Council*

It is proposed to appoint members of the Fiscal Council in a bundled election. Although these are not considered to be best practice, they are usual practice in this market. Candidate Walmir Urbano Kesseli is not considered to be independent as owing to a tenure of over nine years. In terms of good governance, it is considered that all of the candidates to the Fiscal Council should be independent. It is regrettable that the Company has bundled their election instead of proposing individual candidates. Opposition is recommended.

*Vote Cast: Oppose*

##### *A6. In Case One of the Nominees Leaves the Fiscal Council Slate Due to a Separate Minority Election, 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*

#### *A7. 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 47,896 million. Variable remuneration for executives would correspond to up to 340% 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*

#### *E2. 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*

### **CANON INC AGM - 28-03-2024**

#### *3. Elect Okayama Tomohiro as Audit & Supervisory Board Member*

Newly appointed Inside Corporate Auditor. The corporate auditor board is less than 50% independent. Opposition is therefore recommended.

*Vote Cast: Oppose*

### **KT CORP AGM - 28-03-2024**

#### *1. Approve Financial Statements*

At this time, the properly audited 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*

## HANKOOK TIRE CO LTD AGM - 28-03-2024

### 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. *Amendment to the Articles of Incorporation*

The Board proposes to amendment to the Articles of Incorporation. 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*

### 3.1.2. *Re-elect Hyun Beom Cho - 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*

### 6. *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*

## KOREA GAS CORP AGM - 28-03-2024

### 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 Remuneration of Board*

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*

## **BRF - BRASIL FOODS SA EGM - 28-03-2024**

### *3. Amend Article 7: Increase Authorised Share Capital*

The board seeks to approve amendments to the articles of association in order to increase authorised capital limit from 1,825,000, 000 to 2,103,000,000 shares, up to 15%. 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*

### *5. Adopt New Articles of Association*

This proposal is considered to be a technical item in order to publish a new version of the Articles, including the proposed amendments. Based on the concerns expressed on the proposals, opposition is recommended.

*Vote Cast: Oppose*

### *6. Approve Protocol and Justification: VIP S.A. Empreendimentos e Participações Imobiliárias and PSA Laboratorio Veterinario Ltda*

It is proposed to approve Protocol and Justification of VIP S.A. Empreendimentos e Participações Imobiliárias and PSA Laboratorio Veterinario Ltda by incorporation. 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 acquired company is already a subsidiary of the Company. No serious corporate governance concerns have been identified. However, opposition is recommended as the evaluation 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*

### *7. Approve Evaluation Consultant*

Grant Thornton 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*

### *8. 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 VIP S.A. Empreendimentos is BRL 1,310,825.22 and for PSA Laboratorio Veterinário Ltda is BRL 9,638,221.88 as of 31 December 2023. 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*

#### *9. Approve Merger: VIP S.A. Empreendimentos e Participações Imobiliárias and PSA Laboratorio Veterinario Ltda*

It is proposed to approve the absorption of VIP S.A. Empreendimentos e Participações Imobiliárias and PSA Laboratorio Veterinario Ltda by incorporation. 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 acquired company is already a subsidiary of the Company. No serious corporate governance concerns have been identified. However, opposition is recommended as the evaluation 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*

### **LS CORP AGM - 28-03-2024**

#### *4. Amend Articles of Incorporation*

The Board proposes to amend the Articles of Incorporation. 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*

### **DBS GROUP HOLDINGS LTD AGM - 28-03-2024**

#### *4. Appoint the Auditors*

PwC proposed. Non-audit fees represented 9.09% of audit fees during the year under review and 11.25% 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 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*

#### *11. 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*

**KT&G CORP AGM - 28-03-2024****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*

**PT VALE INDONESIA TBK EGM - 28-03-2024****1. *Approve the Change of Composition of the Board of Directors***

It is proposed to approve the resignation and appointment of member of the Board of Commissioners. Regardless of the independent representation on the board, full biographical disclosure for the candidates has not been provided at this time, preventing from providing an informed assessment. This is considered a serious lack of disclosure and 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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