

Engagement Policy

August 2023

Engagement Policy

Under obligations arising from the revised Shareholder Rights Directive (EU 2017/828) (“SRD II”), a firm which trades shares on (EU) regulated and comparable third country markets, is required to either develop and publicly disclose an engagement policy as prescribed in COBS 2.2B.6R or disclose a clear and reasoned explanation of why it has chosen not to do so.

Lansdowne Partners (UK) LLP (“Lansdowne” or “Firm”) has elected to disclose its engagement policy as set out below. Further, Lansdowne is also required to further disclose on an annual basis how the engagement policy has been implemented in a way that meets the requirements in COBS 2.2B.7R. Lansdowne publishes its annual disclosure in Appendix A (Annex 1) below.

The role of shareholder engagement in Lansdowne’s Investment Strategy

Shareholder engagement is the process by which Lansdowne protects and manages its clients’ investments by actively monitoring investee companies inclusive of liaising with company management or brokers on strategy, performance, governance and risk management.

Engagement with investee companies is primarily the responsibility of the investment teams and the respective portfolio managers. Lansdowne considers access to management an important part of investment in core positions and will generally meet with the management of core positions either quarterly or half yearly in order to discuss issues such as governance, strategy, social/environmental impact and shareholder value. Lansdowne believes that its engagement with management on such issues is integral to the discharge of its stewardship responsibilities and the interests of its clients. Lansdowne is unlikely to invest in companies where it appears that management is not acting in the best interests of shareholders. We encourage high standards of corporate governance when we meet with senior management of a company as part of our strategy. Such factors considered would include, but are not limited to, capital structure, capital expenditure plans, M&A plans, management alignment, social and environmental impact and corporate governance.

We evaluate the effectiveness of investee company management on these issues and if an investee company’s behaviour is judged to be adverse to its future earnings, these concerns are generally addressed in our research and investment process and escalated as appropriate.

Approach to ongoing monitoring of investee companies

Comprehensive and continuous research and monitoring of investee companies is fundamental to Lansdowne’s investment process. Lansdowne utilises various research and support tools to assist in this process. The monitoring process will include meeting with senior management of investee companies, analysing annual reports and financial statements, using independent third party and broker research, attending company meetings / road shows and proxy voting corporate research provided by a third party proxy voting service, ISS Europe Limited part of the Institutional Shareholder Services group of companies.

Lansdowne endeavours to identify problems at an early stage to minimise any loss of shareholder value. If investment teams have concerns, where appropriate, they will use their best efforts to ensure that the appropriate members of the investee

company's board are made aware of them. Such concerns may include, amongst other things, corporate governance issues where we believe they have an impact on shareholder value (including, where applicable, deviations from the UK Corporate Governance Code). However, in seeking to act in the best interests of its clients, Lansdowne may also consider it better to reduce or eliminate an investment rather than to continue such dialogue. Lansdowne investment teams review the effectiveness of their monitoring on an ongoing basis as part of the investment process.

As indicated above, Lansdowne has regular contact with companies in which we invest. Lansdowne reviews investments in companies on a regular basis (and following material announcements or developments) against the following criteria:

a. Strategy

As part of Lansdowne's investment strategy, it seeks to build effective relationships with boards and management at the companies in which it invests. Lansdowne will generally look to invest in companies that it believes to be well managed. As part of the research and monitoring process, Lansdowne may look to intervene by holding meetings with management and/or directors to express Lansdowne's concerns or express its views through other channels. These concerns will generally be motivated by the failure of management to uphold shareholder value. Lansdowne will continue to meet with the company and monitor developments to assess changes in the company's approach. Should concerns persist, Lansdowne may seek to intervene formally through written letters addressed to the appropriate company board or committee members. In addition, Lansdowne will consider whether it would be more effective to intervene jointly with other institutions but will only do so where this is considered appropriate and in the best interest of its clients and where it is felt management are not maximising shareholder value. Lansdowne acknowledges that a variety of factors will make each situation unique and therefore the approach taken to escalation of concerns will vary on a case by case basis.

In general, Lansdowne is unlikely to make public statements, submit resolutions or requisition an EGM or shareholder proposal. However, where it is considered appropriate, Lansdowne may choose to do so.

b. Financial and non-financial performance and risk

During meetings with company management, investment professionals may discuss a variety of topics, which include operating performance, financial performance, management succession, reporting and disclosure, proxy proposals, ESG issues or other matters that may present a potential material risk to a company's financial performance. Lansdowne has access to a number of tools to evaluate financial and non-financial performance including third party research providers, internal proprietary models and data and analytics providers covering both quantitative and qualitative aspects (including ESG issues).

c. Capital structure

Lansdowne's investment professionals monitor the strategy and capital structure of investee companies, analysing financial statements as they are produced, assessing execution of a previously stated company strategy, and consideration of events such as capital investment decisions, shareholder returns and acquisitions/divestments. They also seek to understand the principal features of capital structure, such as the term structure of borrowing, access to working capital and financial obligations and monitor changes over time. Lansdowne's investment professionals pay close attention to changes in governance structures (board composition, voting rights, pre-emption rights etc) and management incentives.

d. Social and environmental impact and corporate governance

ESG factors are core inputs for our fundamental, bottom-up analysis and decision-making. The impact which ESG factors have on the attraction of shares as investments, either because of implications for profit pools or likely costs of capital, is clearly material. We seek, through our analysis, to identify significant opportunities and mitigate risks, especially where such trends are nascent. We recognise the importance for all stakeholders to contribute to the minimisation of current and future environmental challenges, promote responsible business practices, encourage diversity, and protect human rights. We understand that, as an investment manager, we have a vital role to play in encouraging positive change for future generations.

Each investment team is responsible for considering such factors and their impact on shareholder value throughout the investment process. Conclusions across different teams may vary, as assumptions and interpretations can be subjective.

Examples of issues that are considered as part of company and industry analysis include:

- Environmental: consideration of the entire value chain (including end product use), monitoring and disclosure of impact, emissions (greenhouse gases and local emissions), hazardous waste, resource and land use.
- Social: sustainable labour practices (competitive pay, labour and management dispute resolutions), support of wider community and equal opportunities (gender, age, social, origin, access to new technology and innovation).
- Governance: board independence, diversity and authority, senior management track record, CEO compensation level and structure, insider trading, special voting rights or restrictions, downside management, equity issuance and buy back history.

Research, monitoring and engagement with companies are fundamental to our investment process. As part of this we seek to build effective relationships and maintain high and broad levels of engagement with management and other stakeholders of the companies to which we allocate capital.

Generally, we do not engage publicly with companies on specific issues but have a long history of interacting directly with management teams to articulate the case for applicable ESG issues. Such debates have, we believe, led to meaningful shifts in company approaches that are economically, environmentally and socially advantageous to the companies, their stakeholders and our clients. We believe that active, fundamental long-term investing is best placed to achieve such goals, given the depth of dialogues and the linkage between social and economic outcomes.

Approach to conducting dialogue with investee companies

Engagement with investee companies is primarily the responsibility of the investment teams and the respective portfolio managers. Generally, such dialogue is conducted directly with senior management or via the investee company's investor relations department. All meetings or discussions with investee companies are logged and it is Lansdowne's policy that meeting notes are prepared and retained. Any material proposals or suggestions to be put to investee companies will be discussed and agreed in advance with the relevant portfolio managers within the Firm.

Procedure for exercising voting rights and other rights attached to shares

Proxy voting is an important duty of shareholders and reasonable care and diligence must be undertaken to ensure that such rights are properly and timely exercised. Where Lansdowne has discretion to vote the proxies of its clients, it will vote those proxies in the best interest of its clients and in accordance with its policy and procedures.

Since 2016 Lansdowne has engaged with [Institutional Shareholder Services](#) (“ISS”), a leading corporate governance and responsible investing solutions provider, to facilitate and assist with the voting process. In January 2021 in order to further enhance the Firm’s ESG reporting capabilities with regard to Voting and Engagement Lansdowne subscribed to the ISS Sustainability Policy. The ISS Sustainability Policy is a set of sustainability proxy voting guidelines and seeks to promote support for recognized global governing bodies promoting sustainable business practices advocating for stewardship of environment, fair labour practices, non-discrimination, and the protection of human rights. Generally, ISS’ Sustainability Policy will take as its frame of reference internationally recognized sustainability-related initiatives such as; the United Nations Environment Programme Finance Initiative (UNEP FI), United Nations Principles for Responsible Investment (UNPRI), United Nations Global Compact, Global Reporting Initiative (GRI), Carbon Principles, International Labour Organization Conventions (ILO), CERES Roadmap for Sustainability, Global Sullivan Principles, MacBride Principles, and environmental and social European Union Directives.

Lansdowne generally votes in favour of routine corporate housekeeping proposals, including election of directors (where no corporate governance issues are implicated). For other proposals, the Firm will assess what is in the best interests of its clients and, in doing so, may take into account the following factors:

- whether the proposal was recommended by management and the Firm’s opinion of management;
- whether the proposal acts to entrench existing management;
- whether the proposal fairly compensates management for past and future performance;
- Environmental, Social and Governance factors; and
- ISS’ Research Reports and Sustainability Policy.

Lansdowne’s proxy voting procedures and record-keeping are maintained by the Operations Department who, subject to Lansdowne’s policies and procedures, refer to the applicable portfolio manager for voting decisions. When doing so, portfolio managers are provided with reports from ISS, the resolutions that the firm are being asked to vote upon, and whether the portfolio manager is aware of any conflicts of interest. Where the instruction from the portfolio manager is in line with the recommendation of ISS’s Sustainability Policy and no conflict of interest is recorded, then the Operations Department will complete the voting instruction and communicate the decision to ISS. Where the instruction is contrary to ISS’s Sustainability Policy, the Operations Department will request a reason and make a note of this in the internal proxy records which serves as the proxy voting log. Where there is a conflict identified, the Operations Department will send this on to the Firm’ Chief Compliance Officer (“CCO”). The CCO shall, if satisfied that such decision is appropriate, sign off on the Voting Instruction to be communicated to ISS.

The Operations Department will keep records relating to the Firm’s proxy voting including:

1. a copy of each proxy that the Firm receives;
2. list of accounts (the Funds and/or Managed Accounts) that hold the security;
3. the number of votes each account controls;

4. a record of each proxy voting decision that the Firm makes;
5. a copy of any document the Firm created that was material to making a decision on how to vote proxies, or that supports that decision; and
6. a copy of any ISS research report that was material to making a decision on how to vote proxies, or that supports that decision.

Lansdowne's compliance team reviews the proxy voting records on a regular basis to ensure consistency with the Proxy Voting Policy.

Approach to cooperating with other shareholders

Lansdowne does not generally intervene with respect to investee companies on a joint basis with other shareholders (or other non-equity stakeholders) on particular issues to influence company strategy. However, we would consider doing so where it is considered in the best interests of our clients/investors and where there are controls in place to facilitate the sharing of information and guidelines as to how collaborative engagement should be undertaken between shareholders.

As such, Lansdowne has no objection in principle to collective action by investors and will consider any specific action on a case by case basis subject to regulatory restraints, company strategy or governance. However, in normal circumstances, Lansdowne will tend to act on its own when engaging with or expressing concerns to investee companies.

Whilst Lansdowne may communicate with other shareholders regarding a specific proposal, it will not agree to vote in concert with another shareholder without approval from Lansdowne's CCO.

Procedure for managing actual and potential conflicts of interests in relation to the firm's engagement.

The Firm maintains a register of potential and actual conflicts of interest which are supplemented by a register of the outside business interests of staff members. Where the Firm faces a material conflict that it is unable to manage or prevent, it is the Firm's policy to disclose this to the client(s) concerned prior to taking any action.

To ensure that proxy votes are voted in a client's best interest and unaffected by any conflict of interest that may exist, the Firm will confirm with the Portfolio Manager that no conflict of interest exists to affect the Firm's voting. If a conflict does exist, the voting instruction is sent to the CCO who will sign off on the voting instruction only if he is satisfied that the voting is in accordance with the Firm's internal voting guidance, as detailed in the Proxy Voting Policy. If the conflict remains, then the Firm may revert to ISS' Sustainability Policy.

Shareholder Rights Directive Annual Disclosure

Lansdowne Partners (UK) LLP (“Lansdowne “or the “Firm”) makes the below annual disclosure under obligations arising from Article 3g(1)(b) of the revised Shareholder Rights Directive (EU 2017/828) (“SRD”) for the period up to 31 December 2022.

How has Lansdowne’s engagement policy been implemented in a way that meets the below requirements.

Under obligations arising from the revised Shareholder Rights Directive (EU 2017/828) (“SRD II”), a firm which trades shares on regulated and comparable markets, is required to either develop and publicly disclose an engagement policy as prescribed in COBS 2.2B.6R or disclose a clear and reasoned explanation of why it has chosen not to do so.

Lansdowne has disclosed publicly on this website its policies on the Stewardship Code and responsible investing (ESG) which have been implemented over the period. Further, we are required to disclose on an annual basis how the Firm’s engagement policy has been implemented in a way that meets the requirements in COBS 2.2B.7R.

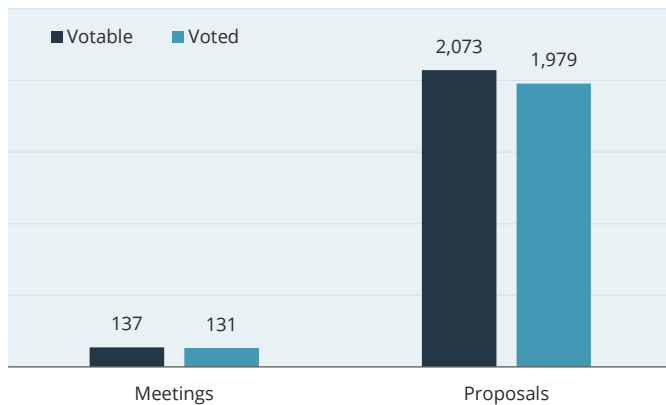
Please see below details in respect of the Firm’s implementation of its Engagement Policy in relation to calendar year 2022.

General description of voting behaviour.

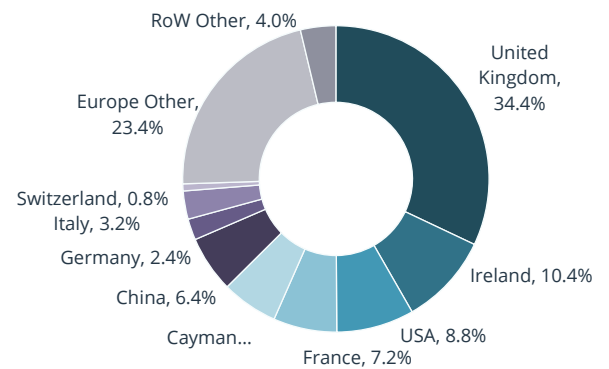
During the period Lansdowne's voting behaviour has been to act in accordance with the above-mentioned policies, which it believes have been designed to ensure it operates in its client's best interests on engagement related matters.

A summary of the Firm's voting statistics from 2022 is included below:

Voting Statistics*



Meetings Voted by Country



* The six un-voted meetings (77 proposals) were subject to share blocking and, as per the Firm policy, the Portfolio Manager selected to not participate in the meetings and to instead retain the availability of the stock to trade. We abstained or withheld votes on 16 proposals in line with ISS Sustainability recommendation. Note: Voting statistics from 2022. Source: ISS

Proposal Category Type

| | | For | Against | Abstain | One Year | Withheld | Did Not Vote | Total | Against Management | Against ISS Sustainability Policy |
|-------------------------|------------------------|-------|---------|---------|----------|----------|--------------|-------|--------------------|-----------------------------------|
| Management Resolutions | Audit Related | 154 | 2 | | | | 5 | 161 | 2 | |
| | Capitalization | 278 | 17 | 1 | | | 6 | 302 | 18 | 5 |
| | Company Articles | 26 | | | | | | 26 | | 3 |
| | Compensation | 258 | 8 | | 1 | | 7 | 274 | 8 | 24 |
| | Director Election | 759 | 25 | | | 14 | 34 | 832 | 39 | 48 |
| | Director Related | 102 | 7 | | | | 12 | 121 | 3 | |
| | Environmental | 2 | 4 | | | | | 6 | 4 | 1 |
| | Miscellaneous | 9 | | | | | | 9 | | 1 |
| | No Research | 8 | | 1 | | | | 9 | | |
| | Non-Routine Business | 16 | | | | | | 16 | | |
| | Routine Business | 205 | 5 | | | | 9 | 219 | 5 | 1 |
| | Social | 21 | | | | | | 21 | | |
| | Strategic Transactions | 9 | | | | | | 9 | | 1 |
| | Takeover Related | 38 | | | | | | 38 | | 1 |
| | Subtotal | 1,885 | 68 | 2 | 1 | 14 | 73 | 2,043 | 79 | 85 |
| Shareholder Resolutions | Audit Related | 2 | 2 | | | | | 4 | | |
| | Company Articles | | | | | | 1 | 1 | | |
| | Compensation | | 2 | | | | | 2 | | |
| | Corporate Governance | 4 | | | | | | 4 | 4 | |
| | Director Election | 2 | 1 | | | | 2 | 5 | | |
| | Director Related | 3 | 1 | | | | 1 | 5 | | |

| | | | | | | | | | |
|---------------|-------|----|---|---|----|----|-------|------|------|
| E&S Blended | | 1 | | | | 1 | | | 1 |
| Environmental | 2 | 1 | | | | 3 | 2 | | 1 |
| Miscellaneous | | 4 | | | | 4 | | | |
| Social | 1 | | | | | 1 | 1 | | |
| Subtotal | 14 | 12 | | | 4 | 30 | 7 | | 2 |
| Grand Total | 1,899 | 80 | 2 | 1 | 14 | 77 | 2,073 | 86 | 87 |
| | | | | | | | | 4.1% | 4.2% |

All votes were voted on apart from those which would result in share-blocking. A total of 4.1% were voted against management and 4.2% against the ISS Sustainability Policy (“ISS Sustain”). It is important to note that each of our portfolio managers take a different approach towards voting decisions. However, all would wish to vote in the best fiduciary interests of their clients. Additionally, while ISS materials can be used for background, and to understand the likely intentions of other institutional investors, ISS is not aware of the history Lansdowne might have with a company (especially where engagements have taken place with management), which could give rise to voting with management and against ISS.

How has Lansdowne cast votes in the general meetings of companies in which it holds shares

As outlined above, Lansdowne has cast votes in the general meetings of companies in which it holds shares operating in accordance with its Proxy Voting Policy. It has voted on all ‘significant votes’ as it defines them below.

Please see the following table for illustrative examples based on those votes deemed significant in nature.

An explanation of Lansdowne’s most significant votes

When defining a significant vote, Lansdowne takes consideration of the following criteria:

- Procedural Votes:
 - Lansdowne does not generally consider procedural votes, which may include the bulk of items where voting in support of management (such as election of directors, ratifying auditors, etc.), to constitute significant votes.
- Size of Shareholding:
 - Where clients’ shareholdings as a proportion of the issuer’s total voting rights exceeds 3% and the proposal meets the criteria set out below for Non-Procedural Votes, such matters will generally be considered significant¹
- Non-Procedural Votes:
 - When considering whether a Non-Procedural Vote may be significant, Lansdowne will assess the following factors:
 - Whether we voted with/against management and/or ISS Sustainability Policy
 - Items impacting shareholder rights;
 - Items that could impact on the long-term interests of clients;
 - Items that have an environmental or social focus;
 - Contentious / controversial or high-profile matters;
 - Corporate governance issues; and
 - Shareholder proposals.

Lansdowne’s use of the services of proxy advisors






On behalf of our clients, the Firm employed the services of the voting agency ISS, a leading independent provider of corporate governance solutions to the financial services industry and has subscribed to ISS’ Sustainability Policy. To inform their research, ISS uses publicly available sources of information such as stock exchanges, regulators, companies directly or other forms of direct procurement. ISS is a member of the industry group that created the Best Practice Principles for Providers of Shareholder Voting Research & Analysis (“BPP”). The BPP was updated in 2019 to take into account the reporting requirements of the SRD II. ISS signatory statement can be found [here](#).







¹ Certain cases where the total voting rights held amount to less than 3% may also be deemed significant where the issue is of notably high significance.

ISS voted on our clients' behalf at all relevant company meetings during 2022.

Significant Votes Cast in the Period:

| Company | Description | Vote Cast | Vote Against? | Commentary | Outcome | % Votable Shares |
|---|--|-----------|---|--|---------|------------------|
|  Glenveagh | Management Proposal: Re-elect Pat McCann as Director | For | Against Management: No Against ISS Sustain: Yes | We have spoken to Glenveagh IR about this and feel comfortable that on the point of the re-election of Pat McCann as Director, we vote with the Board Recommendation here. As background, GLV currently has 25% female Board representation, and this will move up to 29% post Richard Cherry (NED) stepping down at the end of the AGM (Sustainability has a policy of 33%). The Board is very conscious of meeting board diversity criteria and we believe that they are moving in the right direction here to reach 33% in the next 12 months. | Pass | >3% |
|  vivendi | Management Proposal: Approve Compensation of Cedric de Baillencourt, Management Board Member | Against | Against Management: Yes Against ISS Sustain: No | We had a meeting with Head of Treasury and Counsel to discuss this vote. We believe there is a potential conflict with a director being involved with Bolloré Group. | Pass | <3% |
|  FULLER'S | Management Proposal: Re-elect Michael Turner as Director | For | Against Management: No Against ISS Sustain: Yes | <p>We spoke with Rachel Spencer, Company Secretary, to discuss the upcoming AGM vote and Board Composition at Fullers.</p> <p>Contentious issues per ISS Sustainability: - Board Composition - ISS Sustainability voting down Michael Turner due to a lack of Board Diversity.</p> <p>We would note that this company is c.70% controlled by the Turner and Fuller families on a voting basis due to the several classes of share and their differential voting right. These families are entitled to Board seats as they control the business.</p> <p>Of the non-family, non-executive Board members, there are two females and one male – the Board clearly have no issue with diversity in principle.</p> <p>We arranged a meeting with the company SID to discuss Board composition and goals going forward.</p> | Pass | >3% |
|  RioTinto | Management Proposal: Approve Climate Action Plan | Against | Against Management: Yes Against ISS Sustain: Yes | We voted against this item given the apparent gaps in the company's climate reporting and lack of science-based target setting. While Rio Tinto has provided admirable disclosure on its scope 1 and 2 targets, there is an absence of quantifiable Scope 3 targets at this time. | Pass | <3% |
|  NatWest | Management Proposal: | Against | Against Management: Yes | The company does not provide a detailed plan further after 2030 up to 2050, absence of a full net | Pass | <3% |

| Company | Description | Vote Cast | Vote Against? | Commentary | Outcome | % Votable Shares |
|---|---|-----------|---|--|---------|------------------|
| | Approve Climate Strategy. | | Against ISS Sustain: No | zero by 2050, and does not commit to a regular say-on-climate shareholders' vote. Furthermore, the company's disclosed targets are not SBTi approved at this time. | | |
|  | Management Proposal – Approve the Shell Energy Transition Progress Update | | Against Management: Yes Against ISS Sustain: Yes | We voted against this resolution. The Company's Scope 3 targets relate to intensity reduction, rather than absolute emission reduction. Additionally, there is a lack of detail on the Company's Scope 3 emissions and on how it intends to meet its associated targets. More granular and explicit disclosure should be provided to enable stakeholders to make the connection between the Company's goals and the relevant IEA net zero pathways. Furthermore, the plans are partly reliant on technologies, such as CCS, and on offsets (nature-based offsets). | Pass | <3% |
|  | Management Proposal: Re-elect Giles Davies as Director | | Against Management: No Against ISS Sustain: Yes | We voted with the Board Recommendation for the re-election of Giles Davies as Director. As at immediately after the 2022 AGM (12th May) the Board will be comprised 33% Female subsequent to David O'Beirne stepping down from the Board. Sustainability policy for the board is that it should be comprised at least 33% under-represented gender identities and Cairn will therefore meet this threshold after the AGM. While Cairn does not currently have a "racially or ethnically diverse director", the company has signed up to multiple diversity and inclusion initiatives. We spoke to IR to get their latest thinking on Board diversity to inform reaching this conclusion. | Pass | >3% |
|  | Shareholder Proposal: Provide Right to Call a Special Meeting at a 15 Percent Ownership Threshold | | Against Management: Yes Against ISS Sustain: No | We voted for this shareholder proposal because it includes a 15% ownership threshold which shareholders may view as a more reasonable threshold than the 25% threshold proposed by management. This proposal would also represent an enhancement to shareholder rights, as shareholders do not currently have the right to call special meetings. | Fail | <3% |
|  | Management Proposal: Approve Net Zero - From Ambition to Action Report | | Against Management: Yes Against ISS Sustain: Yes | We voted against this resolution because; The Scope 3 emissions are not disclosed in their entirety, which limits full analysis of the targets; the Company used intensity targets for its marketed energy products, rather than absolute downstream Scope 3 targets; and the company has not fully committed to a regular say-on-climate shareholders' vote. | Pass | <3% |
|  | Shareholder Proposal: Report on Lobbying Payments and Policy | | Against Management: Yes Against ISS Sustain: No | We voted for this proposal as additional disclosure of the company's state level lobbying, indirect lobbying-related expenditures and board oversight mechanisms would help shareholders better assess the risks and benefits associated with the company's participation in the public policy process. | Fail | <3% |

| Company | Description | Vote Cast | Vote Against? | Commentary | Outcome | % Votable Shares |
|---|--|-----------|--|--|---------|------------------|
|  | <i>Management Proposal: Elect Director Ron Burkle</i> | | Against Management: Yes Against ISS Sustain: No | We withheld our vote for incumbent director Ronald (Ron) Burkle for concerns regarding risk oversight in light of the pledging of a significant amount of the company's common stock. Additionally the board failed to remove, or subject to a reasonable sunset requirement, dual-class capital structure, the classified board, and the pop-up supermajority vote requirement to enact certain changes to the governing documents, each of which adversely impacts shareholder rights. Ronald (Ron) Burkle is also a non-independent member of a key board committee. | Pass | >3% |
|  | <i>Management proposal: Approve Remuneration Policy</i> | | Against Management: No Against ISS Sustain: Yes | We discussed the rationale for the LTIP at length with the CFO and also the Head of Corporate Awards. Key employees had been impacted heavily in compensation terms due to COVID spanning two years and retention of key staff, who have executed very effectively, is in our view, in the interests of long term shareholder value. | Pass | <3% |
|  | <i>Management proposal: Full AGM Agenda</i> | | Against Management: No Against ISS Sustain: No | Sika wrote to us as a long term shareholder ahead of the AGM. We voted with the company and ISS on all items but used the opportunity to advocate for more detailed scope 3 disclosures and potentially scope 4 in time as well. | Pass | <3% |
|  | <i>Management proposal: Approve Remuneration Report</i> | | Against Management: Yes Against ISS Sustain: No | Ahead of meeting we had a discussion with the Deputy Chairperson and Head of RemCo with respect to appropriate structures for short and long-term bonus components. We promoted potential benefits of including target for return on capital. Broadly, we don't think pay awards are inappropriate when benchmarked versus other Swedish companies or other European telcos. If anything, compensation is on the lower side with higher stretch targets and management are creating long-term value for shareholders in our opinion. A vote against this item was warranted because the company had in 2022, again introduced a one-off award on top of the short-term annual bonus which also constitutes as a deviation from its remuneration policy. | Pass | <3% |
|  | <i>Management proposal: Approve the Shell Energy Transition Progress Update</i> | | Against Management: No Against ISS Sustain: Yes | We voted for this proposal Shell's Energy Transition Plan, and the report on progress against it, already provided the information sought by the requisitionists. The Company's progress will continue to be kept under review. | Pass | <3% |
|  | <i>Shareholder proposal: Request Shell to Set and Publish Targets for Greenhouse Gas (GHG) Emissions</i> | | Against Management: No Against ISS Sustain: Yes | We voted against this proposal as Shell's Energy Transition Plan, and the report on progress against it, already provided the information sought by the requisitionists. The Company's progress will continue to be kept under review. | Fail | <3% |

| Company | Description | Vote Cast | Vote Against? | Commentary | Outcome | % Votable Shares |
|---|--|-----------|--|---|---------|------------------|
|  | Management proposals: 1. Re-elect Christine Van Rijseghem as Director; 2. Re-elect Marc Wittemans as Director | | Against Management: Yes Against ISS Sustain: No | A vote against the election of Christine Van Rijseghem and Marc Wittemans was warranted because the nominee is non-independent whereas the board lack sufficient independence among its members. Furthermore, Marc Wittemans is chairman of the audit committee as a non-independent director. | Pass | <3% |
|  | Management proposal: Re-elect Jo Harlow as Director | | Against Management: Yes Against ISS Sustain: No | A vote against the re-election of Jo Harlow in her capacity as Chair of the Remuneration Committee, was considered warranted because the Company's response to significant dissent to the Remuneration Policy at the 2021 AGM is considered insufficient. No material changes were made to the proposals. | Pass | <3% |
|  | Shareholder proposal: Adopt Simple Majority Vote | | Against Management: Yes Against ISS Sustain: No | A vote for this proposal was warranted given that elimination of the supermajority vote requirement, where legally permissible, would enhance shareholder rights. | Pass | <3% |
|  | Management proposal: Approve remuneration report | | Against Management: No Against ISS Sustain: Yes | We viewed the increase in management compensation as well-deserved in light of 1) Very strong operational delivery and business performance during a challenging environment over the last two years. 2) Management's foresighted and balanced capital allocation during the Covid-19 pandemic, which has allowed the Group to gain c200bps of market share in its key US end-market, further cementing the fly-wheel effect that the business benefits from structurally (scale -> purchasing and operating efficiencies -> better customer service / pricing -> market share gains -> scale 3) Continued progress on management's diversification and clustering strategy (in-line with announced targets), which has helped make the business more resilient to economic downturns 4) Need to be at-least partially benchmark executive compensation vs US peers given the US continues to account for >90% of the Group's profits. We also agree with the one-off increase in CFO compensation for similar reasons, and also acknowledging the increasing complexity of his role (three separate country operations, much bigger Finance team). | Pass | <3% |
|  | Management proposal: Re-elect Stan McCarthy as Director; Re-elect Michael Cawley as Director; Re-elect Howard Millar as Director | | Against Management: No Against ISS Sustain: Yes | This is because we believe the directors in question are significant value drivers for the company and therefore voting for their re-election is in line with the fiduciary responsibility of Lansdowne Partners. | Pass | <3% |