MERIDIEM
INVESTMENT MANAGEMENT

Stewardship Report

April 2024

MERIDIEM
INVESTMENT MANAGEMENT

At a glance

WHO WE ARE

£6.8bn
AUM
assets under management
(as at 31 December 2023)

EST.
1993
First fund launched
in 2018

100%
Independent
and employee owned

64
Employees
including a 23-person investment team

WE OFFER CLIENTS

Real returns
an investment approach aligned with our clients' financial objectives of growing their assets above inflation

Personal service
delivering a partnership approach between our clients and our investment team

Tailored
client service and reporting

ESG specific
information and analysis

OUR INVESTMENTS

Long-term horizon
(over five years) to align with the needs of our clients

A transparent and simple approach
investing primarily in global equities, to provide a transparent and understandable solution for clients

ESG fully integrated
in all investment decisions

Conviction-led
global best ideas investing

Stewardship Report 2023

Our investment philosophy is guided by three foundational principles: real returns, partnership and stewardship. Stewardship is therefore a core part of our investment process. Engaging with companies and voting at company meetings are critical parts of stewardship. We are delighted to share our annual stewardship report with you, describing our engagement and voting activities in 2023.

To achieve our objectives of delivering long term returns ahead of inflation for our clients, we invest in high-quality companies with strong management teams. Owning 25-40 companies with over 20 investment professionals allows us to deeply analyse each company to ensure our strict company characteristic requirements are met. When we invest, we expect to hold shares in a company for multiple years. Indeed, our current average holding period is over five years. This means that we need to consider all factors that may have a bearing on the financial performance of a company and ensure that management are taking advantage of long-term opportunities as well as considering and mitigating potential risks. Just as we discuss balance sheets and the competitive positioning of a company, we also need to consider their governance and relevant environmental and social risks.

We believe in the power of partnership and have committed to our investee companies that we will respond when they request a meeting or ask our opinion on an issue. We will exercise our right to vote and we will inform the company when we vote against management and explain our rationale. Given our detailed investment process, we expect to be supportive of company management; however, we are willing to be a critical friend in the pursuit of encouraging already good companies to become even better.

Our stewardship principles

We are guided by four principles:

1. **Invest in high quality companies:** we will not hold shares in companies where we have identified a material risk to the long-term viability of the business
2. **An aversion to box ticking:** we focus on what is most material to each business
3. **A culture of partnership with management teams:** we value progress in pursuit of long-term sustainability
4. **A focus on all stakeholders:** we recognise that businesses exist within society and therefore have a duty to all stakeholders, not just shareholders

2023 was another busy year for the team

We had 152 company meetings, of which 72 were 1:1 meetings and 21 were wholly focused on governance, social and environmental issues. We voted on 680 proposals at 39 AGMs. We sent 20 letters as part of our efforts to work in partnership with our investee companies and encourage long-lasting change.

These letters included introductory letters to companies we added to portfolios for the first time such as **LSEG** and **Sonova**, as well as letters to explain why we chose not to support some Board/management voting recommendations at company shareholder meetings. We also wrote a letter to **Kerry** related to water use linked to one of our collaborative engagements.

152	680	20	2
company meetings	proposals	letters	client roundtables

There are always new things to learn and we had a broad range of other sessions to help inform our work including over 35 ESG focused meetings with broker analysts or industry bodies and team members attended 10 ESG or stewardship related conferences.

We also greatly value our partnership with our clients and the trust you have put in us to be stewards of your capital. We were delighted to hold two client roundtables in 2023, building on the success of the first roundtables in 2022, to share our views on engagement and voting, and to garner your perspectives.

The main topics covered in 2023

Board composition – exploring whether companies have the range of expertise they need, including directors who have experience in fields such as cybersecurity, environmental sustainability and supply chain management where relevant	**Director independence** – ensuring board directors have a mix of tenures and that key positions, such as committee chairs, are held by directors who are truly independent
Audit quality – working to encourage US companies with long-tenured auditors to consider putting the audit contract to tender	**Employee welfare and diversity** – understanding the culture of a company, how employees are treated and ensuring fairness of pay
Supply chains – understanding what companies are doing to monitor environmental and social practices throughout their supply chains, and their remedial strategy if issues are identified	**The shift to a low carbon economy** – emission reduction, renewable energy usage, opportunities presented and continuing to encourage companies to set targets if they have not already done so in this area
Broader environmental issues – asking companies what they are doing to measure, monitor and manage environmental risks beyond carbon emissions (such as water use, waste and their impact on biodiversity)	**Artificial intelligence** – including responsible development, issues around bias and misinformation, responsible employee talent management and energy implications

Regular readers of our reports will know that many of these have been on our agenda for multiple years. We believe that strong governance is critical for all companies and begins with appointing directors with varied and relevant skillsets. Many investors focus on gender and ethnic diversity but we expand this into discussions of access to international experience, technology, supply chain or human capital management expertise where this may be critical for the business model of a particular company. For example, we engaged with **Align Technology** because the Board size reduced at the 2023 AGM and we were concerned it had become under-resourced. We were pleased to see them appoint two new directors in December 2023, adding sought after experience in materials science (relevant to their efforts to advance the field of 3D printing) and human capital management.

2023 was obviously the year that AI, particularly Generative AI, hit the headlines and while we are excited about the opportunities that this presents our companies, there are genuine causes for concern to monitor. We particularly enjoyed the opportunity to discuss some of these issues with the ESG lead at **Microsoft**. They assured us that responsible AI development was high on their agenda with two members of the board having specific responsibility for this area. Although the fast growth of AI use in products is rapidly increasing energy requirements, they remain strongly committed to their 100/100/0 vision of 100% electricity consumption, 100% of the time being matched by zero carbon energy. They plan to achieve this through continued focus on efficiency and an increase in renewable energy projects. We also track what leaders in the space, like **Accenture**, are doing in this area. Their approach focuses on re-training employees impacted by Generative AI. They delivered 40 million training hours during 2023, at a cost of $1.1bn. They have also been proactively defining new skills and roles, while staff numbers involved in data and AI practice are set to double to 80,000 over three years.

We believe that strong governance is critical for all companies

Engagements

There are different types of engagement that we do with our companies. Sometimes, and particularly while we are doing our initial detailed analysis on a company, we will 'Engage for Information'. This means that we are interested to learn more about a company's thoughts and processes around a particular issue rather than having a particular concern or addressable outcome.

We had initial engagement meetings with both **LSEG** and **Sonova** in 2023 and these helped shape our overall investment thesis on each company.

We also have various companies where we will be continuously monitoring and discussing best practice and developments in a particular area. We call these 'Ongoing Engagements' and are likely to be issues where there is no pre-defined target or resolution, such as monitoring the supply chain for human rights issues and taking responsible action when such an issue is discovered. During 2023, we discussed human rights in the supply chain with **Nike** and **Next**, discussing the extent to which they monitor their supply chains and the remedial actions taken when problems are found. Both companies share our belief in partnership and Nike commented that having long-term relationships with manufacturers (90% of their Footwear and Apparel manufacturers have contracted with the company for over 10 years) is helpful in this regard. Nike is also auditing ever deeper into its supply chain with continued expansion in their Tier 2 (suppliers) and pilot audits of their Tier 3 (raw inputs) suppliers. We have also discussed with both these companies the need to shift to more sustainable materials and the challenges of sourcing recycled material. Next has invested in real-time tracking to monitor progress against their responsible sourcing targets, which has helped their buying teams engage on this issue.

Other engagements have a specific target or request of our companies and we monitor each of these according to our engagement milestones, set out below.

Engagement milestones
We monitor the progress of our engagements by setting ourselves clear objectives at the outset and measuring progress against four milestones:

1	Raising the issue with the company.
2	Receiving acknowledgement from the company that our concerns are valid.
3	Receiving confirmation from the company that it is developing a plan to address the issue.
4	Receiving confirmation from the company that the plan is implemented and the objective is delivered.

Current engagements by milestone

Source: Meridiem Investment Management Ltd

As discussed in previous stewardship reports, many of our US companies take a different view on the benefits of changing auditor. We continue to prefer the UK/European model of requiring auditor rotation at least every 20 years, believing this reduces the likelihood of conflicts of interest such as a vested interest in maintaining their own reputation while also providing a fresh perspective. The US view however, is that a long-tenured auditor offers consistency and better knowledge of the company. We will continue to engage on the issue but recognise the difference of opinion across the Atlantic divide. We therefore expect a high level of ongoing Milestone 1 engagements in the Audit category.

Areas where we are pleased to report we have had particular success would be in Environmental data and target setting where many companies have now achieved Milestone 4 – i.e. they are now reporting their emissions data as requested and have committed to monitor and report going forwards. When we became shareholders in **Intuitive Surgical** in 2022, we wrote to them asking to see data around greenhouse gas emissions and water use. We were delighted that in their ESG report published in May 2023 they reported Scope 1, 2 and 3 GHG emissions and committed to developing a full decarbonisation plan.

As well as setting their first targets around emissions reduction, renewable energy and water usage, **Amphenol** have also improved their supplier auditing, something we have been asking for since 2021. They have set a target that by the end of 2025, they will have conducted actual audits of their high-risk suppliers, whereas previously they have relied on conduct training and surveying suppliers for non-compliance. While this is a distinct improvement on both fronts, we continue to believe that they can improve on these measures and will continue to engage for further improvements.

Executive compensation is also an area that we believe is important to monitor as shareholders. We have previously asked **Broadridge** to change its performance metrics from 2-year to 3-year targets, which, as well as being more long-term, would be directly aligned with the financial targets presented to the market. We were particularly pleased that they have changed this in their 2023 Proxy Report and commented that as well as being better aligned to market practice, this was to "be responsive to commentary provided by some investors as part of our annual engagement process"[1]. While we were clearly not the only investors asking for this change, it is welcome to see our efforts acknowledged.

Given our commitment to respond to companies when they ask for our opinion, we were pleased to be asked to contribute to both **Kerry** and **DSM-Firmenich's** double materiality[2] assessments. We also responded to a request from **Experian** to give feedback on their Tax Transparency report, aiming to increase their disclosure and exhibit best practice ahead of upcoming EU regulations.

1. Broadridge 2023 Proxy Report
2. Double materiality covers the identification and reporting of sustainability issues that may affect financial performance, and also those that impact on the wider world and is required under the upcoming EU Corporate Sustainability Reporting Directive

Collaborative engagements

While we like to develop direct relationships with our investee companies, we also recognise that there are times when collaborating with other members of our industry can be helpful to drive positive change. We are also aware that while we can vote on our equity holdings, it is harder to have a voice with our fixed income holdings. We have therefore been actively looking for collaborative engagements relevant to our holdings that we can take part in to contribute to knowledge building and driving change.

During 2023, we signed up as a participant to a Technology, Mental Health and Well-being collaboration through the PRI's collaboration platform which is a forum allowing like-minded investors to work together and support initiatives. This collaboration aims to understand the extent to which companies are mapping and monitoring the impacts of technology on mental health and well-being. Targeted companies have been sent letters and some initial meetings have been held. We will update as and when there is progress, noting that these engagements typically extend over several years.

We also became an Investor Participant of Nature Action 100 which is a new collaboration led by Ceres and the IIGCC during the year. This initiative encourages companies to align their business models with the targets and goals of the Global Biodiversity Framework, and is expected to be a multi-year initiative as investors and companies seek to understand and mitigate their nature-based capital risks. This is particularly relevant to some of our corporate fixed income holdings. Again, letters have been sent to targeted companies and first engagements are expected to be held in 2024.

For the fourth year running we took part in the CDP Non-Disclosure Campaign which requests companies measure and disclose their environmental data. We are pleased to report that **Amazon, Intuitive Surgical** and **Kuehne + Nagel** reported to the CDP for the first time in 2023, meaning that only two of our current equity holdings do not disclose. We will continue to encourage these companies to do so. We will also suggest other holdings report on more data points around nature-based capital (i.e. water and forests) going forwards where this is relevant to them.

As part of the Ceres Valuing Water Finance Initiative we engaged with **Kerry** to encourage them to improve their existing practices around water. The company has already performed a water risk assessment on their own operations' activities, and we have asked that they undertake a similar assessment for their supply chain. The company responded that this is on their agenda and we will engage with them after their 2023 sustainability report is published to monitor developments.

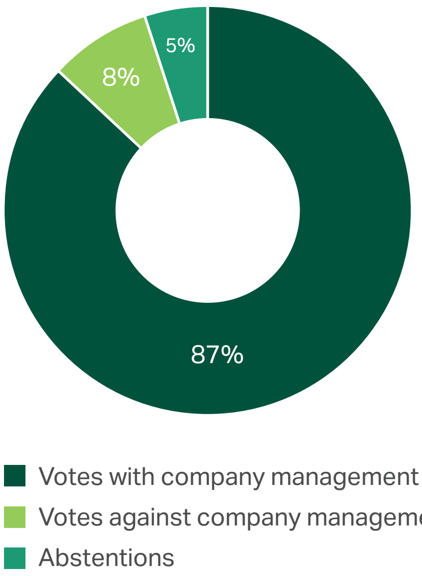
We are an Endorser to the Principles of Responsible Investing's Advance collaborative engagement initiative on human rights. We continue to monitor this initiative and will look to increase our participation if it expands to companies more relevant to our holdings.

In Other News…

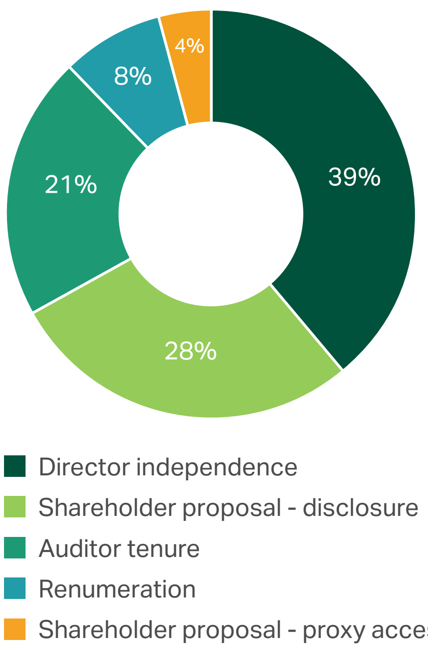
- We were delighted to be included in the signatory list to the **UK Stewardship Code** for the third consecutive year.
- We **set emissions reduction targets** both for our portfolios and our own business, disclosing targets for both 2030 and our ambitions for 2050.
- We **published our inaugural Climate Report**, including the recommendations of the Taskforce for Climate-related Financial Disclosures, during the summer of 2023. This was ahead of regulatory requirements to do so. This report details our work around climate, both in reference to our investment strategy and portfolios, as well as in our own business.
- We worked with others in the industry to give **feedback on the FCA consultation** on Sustainable Disclosure Regulations and investment labels.

Voting activities

Overall voting record to 31 December 2023



Votes against management & abstentions by theme



We believe shareholder voting is an important way of communicating with companies and helps in our efforts to build long-term partnerships. Although separated here for reporting purposes, voting is not an isolated act and therefore goes hand-in-hand with our broader engagement work as the examples below demonstrate.

A summary of our voting activity over the last year is shown in the pie charts and a full breakdown of the votes cast on behalf of our clients is included with the appendix.

We only invest in well-run companies which have strong management teams and governance structures, so we typically expect to vote in line with board recommendations. But as in previous years, there have been cases this year when we felt it necessary to vote against certain management proposals and for some shareholder proposals. The overall statistics are shown in the pie chart on the left. If we split between management proposals and shareholder proposals, it is interesting to note that we voted with management on 91% of management proposals but only 53% of shareholder proposals.

None of these decisions is taken lightly. In line with our principle of focusing on materiality, our analysts continue to take each voting decision on a case-by-case basis, reflecting our independent judgement, analysis, and the outcome of engagements with companies.

As highlighted earlier in this report, when we vote against company management, we write to explain our decision. As can be seen, a common area of difference is on Board Independence where, similar to auditor tenure, there are differing views across the Atlantic. American companies take the view that a long tenure is desirable and a director is independent as long as they have not had an executive role at a company, whereas under European rules, anyone who has been on a Board for longer than 12 years cannot be considered to be independent. While we see the benefits of a mix of tenure, we expect directors who hold particular roles of responsibility such as the Chair of a Committee or (as the name would suggest) the Lead Independent Director to be truly independent. Companies where we voted against or abstained on directors who we consider not independent included **Broadridge, UnitedHealth Group, Marsh McLennan, Hasbro, Amphenol, Fiserv, Align, LabCorp, Intuitive Surgical, Avery Dennison, Synopsys** and **Intuit.**

Where possible, we will aim to engage with a company before we need to vote. For example, although our usual view on director independence for sub-committee chairs would have required us to vote against management on the re-election of a director at **Franco-Nevada**, after talking to the company we supported his nomination. This was after consideration of their arguments around the particular dynamics of their sub-industry and need for a highly experienced board member to lead on the recruitment of new directors, as well as the work already done to refresh the Board structure over the last few years. However, we did request in writing that the role of Lead Independent Director be rotated to a truly independent director given they do not have an independent Chair of the Board.

We also voted against management on proposals for executive compensation for both **Alphabet** and **Amazon**. In both cases this was due to a lack of objective performance criteria and disclosure around performance metrics.

Shareholder proposals

As a percentage, our voting for shareholder approvals (i.e. against management) declined in 2023 over 2022, we voted for 47% of shareholder proposals down from 66% in 2022. This is due to our focus on materiality and wanting management to direct resources to where they are most useful and effective. We believe that some shareholder proposals are politically motivated or that the companies are already providing much of the information and further requests would be burdensome and not create additional value.

This was the case for a **LabCorp** proposal requesting a report on transport of non-human primates within the US. There are no significant controversies relating to animal welfare at LabCorp at this time. LabCorp already discloses significant information about its animal welfare practices and we did not think that the additional disclosure would add value for the company or shareholders. **Mastercard** and **Adobe** also had shareholder proposals asking for reports (on risks relating to discrimination, lobbying payments and policy at Mastercard, and hiring of people with arrest or incarceration records at Adobe) where we felt that the companies already provided clear disclosure on the topics and neither are a material issue for the company. On many of these issues, we engaged with the company before voting to understand their approach to each area.

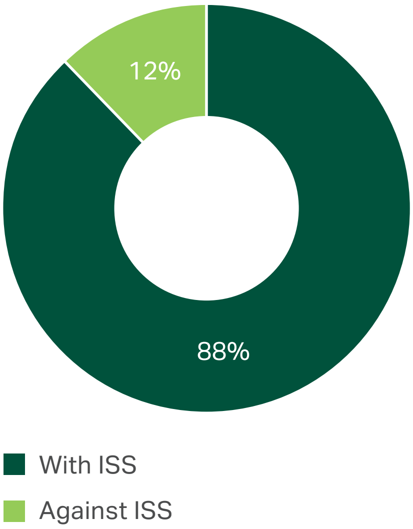
We supported management and voted against shareholder proposals on pay equity at **Nike** and **UnitedHealth** as we believe that both companies provide disclosure on the issues raised. UnitedHealth has also already commissioned third-party reports on some of these issues. However, we did follow up in our post-AGM letters to both companies that we would like to discuss these issues further and would welcome seeing the outcomes of the third-party reports when available.

On the other hand, we did support a number of shareholder proposals (therefore voting against management) around disclosure, particularly at our big tech holdings. These included voting in favour of third-party reports on working conditions and an assessment of commitment to Freedom of Association and Collective Bargaining at **Amazon.** These are issues that we have raised in engagement meetings with the company and while we believe progress is being made, we would welcome the transparency of a third-party report. We also supported shareholder proposals at the Amazon AGM calling for further disclosure on pay equity and tax transparency (among others).

Similarly, we voted in favour of many shareholder proposals at the **Alphabet** AGM. These included asking for all share classes to have one vote per share. We also supported eight proposals around greater disclosure or third-party audits covering areas such as lobbying payments and policy, doing business in countries with significant human rights concerns, and more specific tech platform concerns such as a human rights impact assessment of targeted advertising technology, disclosing more information on algorithmic systems, and alignment of YouTube policies with online safety regulations.

At the **Microsoft** AGM, we supported three shareholder proposals which were around tax transparency, operating in countries with significant human rights concerns and a report on risks related to AI-generated misinformation. We believe that additional disclosure or the transparency of a third-party report in these instances would be helpful as these companies are under intense scrutiny and hold significant power in a rapidly developing technology focused world.

Overall voting record to 31 December 2023



Independent decisions

Although we use a proxy services provider, ISS, to help with the administrative side of voting and find their voting recommendations helpful, we always make our own voting decisions. As outlined above, we will often seek to discuss specific resolutions with the companies when we feel it would aid our decision. This means that we sometimes vote against the ISS recommendations.

> "Show me the incentives, and I'll show you the outcome"
>
> **Charlie Munger** (1924-2023)

As well as supporting management (i.e. voting against) on some of the shareholder proposals mentioned above that ISS recommending voting for, we also chose to vote differently for three executive compensation proposals. At **Kuehne + Nagel** and **Alphabet** we abstained on proposals relating to executive compensation because of a lack of performance conditions for long-term pay awards and little transparency in compensation plans. We abstained on the executive compensation plan at the **DSM Firmenich** AGM because of an over-use of ESG metrics. While we are supportive of improvements in material ESG factors at companies, in this case ESG metrics made up 30% of the proposed short-term and long-term incentive plans and would be rewarding the executive team for activities where they are already leading (e.g. greenhouse gas emissions reductions). Over the long term, operating in a sustainable way and providing sustainable solutions will come through in the company's financials and operational resilience.

Looking ahead

We look forward to continuing our partnership with our investee companies in 2024 and have many ongoing engagements that we will continue to address. We also look forward to engaging in more detail with our companies on some of the emerging issues, such as AI and nature-based capital, where appropriate. This will include some of our work in collaborative engagements.

We hope that you have found this report useful and informative and are always delighted to discuss our engagement work in more detail with our clients. Further information can also be found on website www.meridieminvestment.com such as our latest UK Stewardship Code Report and our Engagement and Voting policies.

Written by Sam Cotterell
on behalf of the Investment Team

Appendix

Voting Data Table 01 January to 31 December 2023

With = with company management
Against = against company management

Company Name	Meeting Type	Meeting Date	Voting Cast With	Voting Cast Against	Voting Cast Abstentions	Additional Details
Intuit	AGM	19.01.23	10	0	2	Audit quality – EY were first appointed in 1990. Director independence – Chair of the Board not truly independent because of long tenure.
DSM	EGM	23.01.23	3	0	0	Meeting was held to approve DSM's merger with Firmenich.
Accenture	AGM	01.02.23	14	0	1	Director over-boarding – Chair of the Compensation, Culture and People Committee abstention due to over-boarding concerns.
Infineon Technologies	AGM	16.02.23	33	0	0	
Synopsys	AGM	12.04.23	10	1	3	Audit quality - KPMG were first appointed in 1992. Director independence - Lead Independent Director not truly independent because of long tenure. Director over-boarding – one Director abstention due to over-boarding concerns. Shareholder proposal (proxy access) – supported the shareholder proposal calling for a reduction in the ownership threshold required for shareholders to call a special meeting.
British American Tobacco	AGM	19.04.23	20	0	0	
Adobe	AGM	20.04.23	16	0	1	Audit quality - KPMG were first appointed in 1983.
Bunzl	AGM	26.04.23	19	0	0	
Avery Dennison	AGM	27.04.23	10	0	3	Audit quality - PwC were first appointed in 1960. Director independence - Lead Independent Director and the Chair of the Compensation Committee not truly independent because of long tenure.
Intuitive Surgical	AGM	27.04.23	11	2	2	Director independence – abstentions for Chair of the Audit Committee and the Chair of the Compensation Committee because of long tenure and therefore not truly independent. Director independence – vote against Chair of the Nominations and Governance Committee because of long tenure and therefore not truly independent. In addition, we feel he is not delivering on his role to lead Board recruitment and succession planning. Shareholder proposal (disclosure) - supported the proposal asking for a report on the gender and racial pay gap at the company.
Kerry Group	AGM	27.04.23	22	0	0	
Franco-Nevada	AGM	02.05.23	11	0	0	Voted for Lead Independent Director despite tenure and Leadership position (against normal policy) following engagement meeting. See report for more details.

Appendix

Voting Data Table 01 January to 31 December 2023

With = with company management
Against = against company management

Company Name	Meeting Type	Meeting Date	Voting Cast			Additional Details
			With	Against	Abstentions	
GSK Plc	AGM	03.05.23	23	0	0	
Unilever	AGM	03.05.23	22	1	0	Remuneration – voted against the remuneration report because the incoming CEO's salary has been set significantly higher than his predecessor's without adequate justification from the company.
Phoenix Group	AGM	04.05.23	19	0	0	
Kuehne + Nagel	AGM	09.05.23	18	0	6	Remuneration – abstained on proposals relating to executive compensation and the re-election of the Compensation Committee because of a lack of performance conditions for long-term pay awards and little transparency in compensation plans.
Derwent London	AGM	12.05.23	22	0	0	
LabCorp	AGM	12.05.23	16	0	1	Director independence – Chair of the Audit Committee not truly independent because of long tenure.
Tractor Supply	AGM	12.05.23	10	0	1	Audit quality - E&Y were first appointed in 2001.
Align Technology	AGM	17.05.23	8	3	2	Audit quality – PwC were first appointed in 1997. Director independence – voted against Chair of the Nominations & Governance Committee and the Chair of the Compensation Committee because of long tenure and therefore not truly independent. ESG disclosure and succession planning – abstained on the re-election of the other members of the Nominations & Governance Committee because of a lack of progress on ESG disclosure and Board succession planning and recruitment.
Fiserv	AGM	17.05.23	9	3	0	Audit quality – Deloitte & Touche were first appointed in 1985. Director independence –Lead Independent Director not truly independent because of long tenure. Shareholder proposal (Board structure) – supported the shareholder proposal calling for an Independent Board Chairman given that the Lead Independent Director is no longer truly independent.
Amphenol	AGM	18.05.23	11	1	1	Audit quality – Deloitte & Touche were first appointed in 1997. Director independence – abstained on Chair of the Audit Committee because of long tenure and therefore not truly independent.
Hasbro	AGM	18.05.23	12	2	1	Audit quality – KPMG were first appointed in 1968. Audit quality – abstained on the re-election of the Chair of the Audit Committee as we have raised the issue of KPMG's tenure many times with the company, but the company has taken no action to address the issue. Director independence – Chair of the Compensation Committee not truly independent because of long tenure.

Appendix

Voting Data Table 01 January to 31 December 2023

With = with company management
Against = against company management

Company Name	Meeting Type	Meeting Date	Voting Cast: With	Voting Cast: Against	Voting Cast: Abstentions	Additional Details
Marsh McLennan	AGM	18.05.23	12	4	1	Audit quality – Deloitte & Touche were first appointed in 1989. Director independence – voted against Chairs of the Audit, Compensation and Nominations & Governance Committees because of long tenure and therefore not truly independent. Director independence – abstained on Chair of the Board because of long tenure and therefore not truly independent.
Next Plc	AGM	18.05.23	23	0	0	
Amazon	AGM	24.05.23	20	13	0	Audit quality –Ernst & Young were first appointed in 1996. Remuneration – voted against the executive compensation plan because of a lack of performance criteria in incentive programmes. Shareholder proposals (disclosure) – supported 11 of 18 shareholder proposals. These included third party assessments on the company’s commitment to Freedom of Association and Collective Bargaining, Working Conditions , Risks associated with use of Rekognition and plastic use as well as reports from the company on Tax Transparency and Gender/Racial Pay equity.
Thermo Fisher Scientific	AGM	24.05.23	13	2	1	Audit quality – PwC were first appointed in 2002. Director independence – voted against Lead Independent Director because of long tenure and therefore not truly independent. Director independence – abstained on the re-election of the Chair of the Audit Committee because of long tenure and therefore not truly independent.
Alphabet	AGM	02.06.23	14	14	1	Audit quality – E&Y were first appointed in 1999. Corporate structure – voted against the re-election of members of the Nomination’s Committee as there has been no progress on addressing the multi-class share structure with disparate voting rights. Director over-boarding – voted against a Director due to over-boarding concerns. Remuneration – abstained on the executive compensation plan because of a lack of performance criteria and little transparency around incentive programmes. Shareholder proposals – supported 9 of 13 shareholder proposals. These included the one vote per share vote as well as proposals on lobbying, human rights concerns and for more information on algorithmic systems and alignment with Online Safety Regulations.

Appendix

Voting Data Table 01 January to 31 December 2023

With = with company management
Against = against company management

Company Name	Meeting Type	Meeting Date	Voting Cast			Additional Details
			With	Against	Abstentions	
UnitedHealth	AGM	05.06.23	11	2	2	Audit quality – Deloitte were first appointed in 2002. Director independence – abstained on Chair of the Board and Lead Independent Director because of long tenure and therefore not truly independent. Shareholder proposal (disclosure) – supported the shareholder proposal asking for a report on the extent to which political spending and lobbying aligns with company values.
Tesco Plc	AGM	16.06.23	21	0	0	
Mastercard	AGM	27.06.23	20	1	0	Audit quality – PwC were first appointed in 1989.
DSM Firmenich	EGM	29.06.23	6	0	1	Remuneration – abstained on the Executive Committee's compensation plan because of an over-use of ESG metrics as discussed in report.
Pacific Assets Trust	AGM	03.07.23	17	0	0	
Experian	AGM	19.07.23	20	0	0	
Biotech Growth Trust	AGM	27.07.23	15	0	0	
Nike	AGM	12.09.23	8	1	0	Audit quality – PwC were first appointed in 1974.
Automatic Data Processing	AGM	08.11.23	14	1	0	Audit quality - Deloitte were first appointed in 1968.
Broadridge Financial Solutions	AGM	09.11.23	12	0	2	Director Independence –Lead Independent Director and the Chair of the Nomination and Governance Committee not truly independent because of long tenure.
Microsoft	AGM	07.12.23	20	4	0	Audit quality – Deloitte were first appointed in 1983. Shareholder proposals – supported 3 of 9 shareholder proposals asking for reports on Tax Transparency, Risks of Operating in Countries with Significant Human Rights Concerns and Risks Related to AI Generated Misinformation.

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