

VOTING REPORT

Q2 2024

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KEY VOTES

Shareholders have an important responsibility in holding directors to account for responsible oversight of businesses. Good governance underpins the delivery of enduring returns. The voting responsibilities we have on behalf of our clients are, therefore, of utmost importance to Sarasin & Partners.

Our approach to voting can be found in our [Corporate Governance and Voting Guidelines](#). This is a core part of our stewardship approach.¹

The table below shows how we voted on company resolutions during the period under review. It also explains why we voted the way we did, and whether the resolution was approved by shareholders.

Date:

30 Apr 2024

Resolution:

**Approve
Remuneration Policy of CEO**

How we vote for you:

Against

Result:

**Passed
For: 94.4%**

Air Liquide

We voted against two resolutions relating to executive remuneration due to:

- The lack of a material long-term shareholding requirement by the CEO (for European companies we expect at least 300% of the base salary);
- Inadequate 'clawback' policies that enable a company to reclaim compensation (bonuses and other incentives) awarded for performance that was subsequently found to be erroneous or short-lived;
- Relatively weak performance thresholds for the long-term incentive plan and high levels of payouts; and
- The small weighting of climate in performance metrics and lack of a broader net-zero underpin / safeguard applied to performance related pay.

Further, as an escalation tool, we voted against the remuneration committee chair, Kim Ann Mink. We have voted against the company's proposed remuneration for two or more years and our concerns have not been addressed adequately.

We engaged with the company and sent a post-proxy letter to the chair, Benoit Potier, in 2022 and 2023 highlighting our concerns related to the remuneration structure.

Date:

21 May 2024

Resolution:

**Elect Director
Phebe N. Novakovic**

How we vote for you:

Against

Result:

**Passed
For: 98.5%**

JPMorgan Chase

This was an escalation vote on our ongoing concern about the lack of independent auditor. As the audit committee chair is new, we voted against other longer-standing audit committee members. In addition to the concern over auditor independence, we have no visibility over whether material climate risks are being factored into the financial statements, particularly when it comes to expected credit losses and fair values.

Sarasin has engaged with JPMorgan Chase on these issues for more than two years, including through our 2023 post-proxy letter and a pre-AGM call with the investor relations team regarding various governance and climate concerns.

¹For further information on our stewardship philosophy, please refer to our annual [Stewardship Report](#), available on our website.

> KEY VOTES – CONTINUED

Date:

29 May 2024

Resolution:

**Shareholder resolution:
Report on Generative
AI Misinformation and
Disinformation Risks**

How we vote for you:

For

Result:

**Failed
For: 16.7%
(but 53.6% of
independent
shareholders²)**

Meta Platforms

There is a high degree of risk involved in deploying generative AI. As such, we supported this resolution filed by Arjuna Capital. We expect additional disclosure on how Meta intends to manage misinformation and disinformation risks related to generative AI. We support the proposal's ask for annual reporting on assessing the risks to the company's operations and finances, as well as to public welfare, presented by the company's role in facilitating misinformation and disinformation disseminated or generated via generative AI. Additionally, Meta should report on steps they plan to take to remediate those harms, and how it will measure the effectiveness of such efforts.

We have various concerns regarding AI safety and ethics at Meta, including:

- a.** Content responsibility and child protection: efforts to combat promoting emotionally charged, hateful, violent and conspiracy content to attract visitors and ads;
- b.** Effectiveness of the company's activities that aim to spot and prevent the spread of misinformation, manipulative content and deepfakes; and
- c.** Data privacy and security, protection from the unauthorised use of customer data for targeted advertising (including Meta's plans to develop their own advertiser).

Our efforts to engage with Meta on various concerns have not been productive yet. We sent them a post-proxy letter in 2023 and followed up asking for a call in February 2024. We received no response to either of these, so we are looking to send a letter to their president of global affairs.

Date:

04 June 2024

Resolution:

**Elect Moshe N. Gavrielov
as Independent Director**

How we vote for you:

Against

Result:

**Passed
For: N/A**

Taiwan Semiconductor Manufacturing (TSMC)

We voted against the nomination committee chair because the length of all the directors' terms exceeds one year, extending through to 2027. In our view, this term and vote structure is considered equally poor governance practice, similar to staggered or classified boards. We believe the right to elect directors annually, and therefore the ability to hold them accountable for any wrongdoings, is a key shareholder right.

We also voted against this person on the lack of board diversity. At a minimum, we expect 30% gender diversity on the board in our portfolio companies. For UK companies, we expect 40% gender diversity. TSMC has only 20% women on the board (two out of the 10 directors are female). We have engaged with the company on board diversity and received a positive response to our letter where we expressed our concerns, but we have not seen any significant progress since this engagement.

²Meta has dual-class shares, which prevents independent shareholders from enforcing their views through voting. Another shareholder proposal that we supported at this AGM was the proposal to: Approve Recapitalization Plan for all Stock to Have One-vote per Share. It received 26.3% of total votes (84% of the independent votes).

> VOTING SUMMARY

		2016	2017	2018	2019	2020	2021	2022	2023	Q1 2024	Q2 2024
Total number of company meetings		968	1,165	1,072	1,228	771	615	622	553	73	297
Total number of proposals		10,387	13,244	13,433	13,373	9,168	7,855	7,972	7,746	949	4,675
Votes cast	For	7,728	8,570	11,152	8,732	6,378	5,886	5,913	5,556	722	3,299
	Against	1,681	2,354	2,611	2,678	1,646	1,330	1,416	1,201	168	961
	Abstain	61	101	181	129	95	62	83	62	9	70
	Withhold	84	83	79	100	77	83	113	52	2	54
	Did not vote ¹	833	2,136	1,420	1,641	972	489	336	466	48	291

¹We do not currently vote in jurisdictions in which share blocking and power of attorney requirements apply.

Further details are available upon request.

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