

# Voting & Engagement Summary

---

**Q3 2022**



## Stewardship at Investec Wealth & Investment UK

IW&I UK has formally committed to voting on our discretionary shareholdings, to protect our clients' interests. We seek to ensure that all environmental, social and governance, issues specific to their business activities are understood and well managed.

To support this commitment, a comprehensive governance structure has been established. The Equity Corporate Governance Forum (ECGF) and the Collectives Corporate Governance Forum (CCGF) are responsible for day-to-day implementation of corporate governance, as embedded in the investment process, and are overseen by the Investment Committee (IC).

The IC oversees the ECGF and CCGF and is responsible for ensuring adherence to our internal policies as well as to those within the Stewardship Code. It is chaired by the Chief Investment Officer (CIO) and reports into the Executive Committee (the highest management level in IW&I UK), which in turn oversees the public disclosure of the discharging of our governance obligations.

We aim to continually improve upon these processes, and we are committed to ensuring that we are serving the best interests of our clients. Demonstrating this commitment, in 2020 we became signatories to the UN's Principles for Responsible Investment and the UK Stewardship Code. In 2021 we became a member of the Investor Forum and Climate Action 100+.

Our stewardship activity is informed by the work of Institutional Shareholder Services (ISS), which is combined with our Analysts' research. ISS provides analysis of proposed AGM and EGM resolutions for listed investments (including Investment Trusts), and highlights where proposals are not aligned with best practice, or the ISS analysis team disagree with the resolution. The relevant analyst will use the information to form their own voting decision and make their own independent recommendation to the respective Corporate Governance forum.

Additionally, they will use the information provided by both ISS and Sustainalytics to engage and challenge companies on how they are confronting risks, the quality of their solutions, and the level of their responsiveness compared to others in similar businesses.



**We believe it is important to take an active role in engaging with the companies that we invest in on our clients' behalf. One of the most effective ways to achieve this is by exercising the voting rights of our clients' investments and engaging with our holdings. This report provides oversight into our voting activity in Q3 2022.**

## Votes Against Management Examples from Q3

### Nike

We voted against the CEO's remuneration package. Nike had adjusted its short-term incentive programme moved from an annual performance period to two six-month periods, after threshold goals were not

achieved under the original structure. The action resulted in payouts for Executive Officers that would have otherwise been forfeited. Adjustments made to the long-term incentive programme were also not clearly linked

to clearly stated performance targets and left it difficult to judge what the future impact may be on shareholders. We therefore felt that voting against this ballot item at the AGM, was in our clients' best interests.

### FedEx

Shareholders had put forward 5 proposals covering a range of environmental and governance issues, of which we supported 4:

- **Require Independent Board Chair:** we supported this proposal in line with our usual stance of advocating for an independent Board Chair. We feel that this is best practice and leads to more independent oversight of management, therefore benefitting shareholders.
- **Report on Alignment Between Company Values and Electioneering Contributions:** we felt such a report would provide transparency to shareholders, enabling them to assess potential risk to FedEx' reputation, brand, and therefore, shareholder value.
- **Report on Lobbying Payments and Policy:** in line with the above, we felt such a disclosure would mitigate reputational risk and provide an important line of sight into management's actions.
- **Report on Climate Lobbying:** given the importance we place on moving towards a '1.5°C world', in line with the goals of the Paris Agreement, we supported this proposal, which asked management to disclose whether their lobbying activity aligned with these goals.

### SSE

We voted against SSE's Remuneration Policy because the CEO and Finance Director had received significant pension payments in FY2021/22. Additionally, the CCO's pension at

a level above that of the rest of the workforce. The Remuneration Committee was also seeking to increase the Performance Share Plan opportunities for the CEO and other

Executive Directors to a level that we thought was egregious and not in shareholders' best interests.





# Voting Detail

## DIRECT EQUITY

Company Name	Type	Votes For Management	Votes Against Management	Abstentions
Ashtead Group Plc	AGM	19	0	0
Berkeley Group Holdings plc	AGM	25	3	0
BT Group Plc	AGM	21	0	0
Burberry Group plc	AGM	21	0	0
Compagnie Financiere Richemont SA	AGM	24	6	0
Cranswick plc	AGM	18	0	0
D4T4	AGM	11	0	1
DCC Plc	AGM	19	0	0
Diageo plc	AGM	22	0	0
easyJet plc	Special	1	0	0
Electronic Arts Inc.	Annual	12	1	0
EMIS	Court	1	0	0
EMIS	Special	1	0	0
Experian PLC	AGM	17	0	0
FedEx Corporation	AGM	19	4	0
GB Group Plc	AGM	12	3	0
GlaxoSmithKline Plc	Special	2	0	0
Halma Plc	AGM	21	2	0
Hill & Smith Holdings Plc	Special	1	0	0
Hipgnosis Songs Fund Limited Shs GBP	AGM	15	0	0
Industria de Diseno Textil SA	AGM	14	0	0
Intermediate Capital Group Plc	AGM	21	0	0
iomart Group Plc	AGM	10	0	0
J Sainsbury Plc	AGM	20	0	0
John Wood Group Plc	Special	1	0	0
Johnson Matthey Plc	AGM	20	0	0
Linde Plc	AGM	15	1	0
Marks & Spencer Group Plc	AGM	23	0	0
National Grid plc	AGM	27	0	0
NatWest Group Plc	Special	9	0	0
NIKE, Inc.	AGM	6	1	0
Pennon Group Plc	AGM	20	0	0
Prosus NV	AGM	13	2	0
Schroders PLC	Special	9	0	0
Schroders PLC	Special (Class)	3	0	0
Severn Trent Plc	AGM	21	0	0
Shaftesbury PLC	Special	1	0	0
Shaftesbury PLC	Court	1	0	0
SSE plc	AGM	24	1	0
Syncona Ltd GBP	AGM	14	0	0
Tate & Lyle PLC	AGM	24	0	0
United Utilities Group PLC	AGM	23	0	0
Vodafone Group Plc	AGM	24	0	0
Volex	AGM	13	0	0
<b>TOTAL</b>		<b>638</b>	<b>24</b>	<b>1</b>

## Collective Investments

Fund Name	Meeting Type	Votes For Management	Votes Against Management
Aquila Energy Efficiency Trust Plc	Special	6	0
Assura PLC	AGM	15	0
BH Macro	AGM	13	0
Boussard & Gavaudan	AGM	2	0
Civitas Social Housing Plc	AGM	16	0
HarbourVest Global Private Equity	AGM	12	0
HICL Infrastructure plc	AGM	15	0
JPMorgan European Discovery Trust plc	AGM	13	0
Monks Investment Trust Plc	AGM	14	0
NextEnergy Solar Fund Ltd	AGM	13	0
Picton Property Income Limited	AGM	13	0
Polar Capital Technology Trust Plc	AGM	13	0
Schroder Real Estate Investment Trust Ltd	AGM	12	0
SDCL Energy Efficiency Income Trust	AGM	16	0
Sequoia Economic Infrastructure Income Fund Ltd	AGM	15	0
Templeton Emerging Markets Investment Trust Plc	AGM	14	0
The Global Smaller Companies Trust	AGM	15	0
TR Property Investment Trust plc	AGM	12	0
Warehouse REIT	AGM	16	0
Warehouse REIT	Special	4	0
Worldwide Healthcare Trust PLC	AGM	18	0
<b>TOTAL</b>		<b>267</b>	<b>0</b>

## About Investec Wealth and Investment

Investec Wealth & Investment (IW&I) is a division of the Investec Group which was established in 1974. Investec Group is a specialist bank and wealth management company, which has grown from beginnings in the UK and South Africa into a global institution with an international client base. Investec is now one of the UK's leading investment management companies.



Member firm of the London Stock Exchange. Authorised and regulated by the Financial Conduct Authority. Investec Wealth & Investment Limited is registered in England. Registered No. 2122340. Registered Office: 30 Gresham Street, London, EC2V7QN.

