

# Border to Coast Overseas Developed Market Equity Fund



## Proxy Voting Report

Period: October 01, 2018 - December 31, 2018

Votes Cast	396	Number of Meetings	53
For	327	With Management	321
Withhold	0	Against Management	74
Abstain	2	Other	2
Against	67		
Other	1		
Total	397	Total	397

In 27 (51%) out of 53 meetings we have cast one or more votes against management recommendation.

# General Highlights

## **The Rise of Non-Financial Performance Metrics**

One of the greatest challenges of any remuneration policy is to ensure that executive pay and performance are firmly aligned. This measurement involves the use of performance metrics that strike a balance between short and long-term variable pay, reflecting the interests of both management and shareholders. Corporate performance is being scrutinized beyond solely financial achievements, also taking into account the company's environmental and societal impact. As companies are increasingly asked to respond to a wider approach to shareholder value creation, remuneration packages are gradually changing to reflect such trends.

In the last couple of years there has been a growing trend in companies incorporating non-financial criteria into remuneration packages across Europe and the US according to Morgan Stanley. Investors are increasingly asking companies to demonstrate how financially material environmental and social topics are embedded into their corporate strategy and how management is being incentivized to deliver on such topics. As a result, remuneration committees have been including non-financial metrics such as employee satisfaction, carbon reduction targets and gender diversity targets within their compensation schemes.

These non-financial metrics are capable of capturing less traditional performance criteria, such as a company's societal or environmental impact. This allows shareholders to hold executives accountable on the execution of a strategy that incorporates ESG considerations and encourages companies to take a broader perspective on shareholder value creation.

The efficacy of a non-financial metric largely depends on its implementation. One aspect of this implementation is the relevance of the ESG criteria to the business and whether it contributes to enhanced shareholder value in the long run. Another factor is the level of measurability and transparency provided to shareholders. Investors benefit from having access to disclosures related to the assessment of the performance metric, key targets and thresholds included in the compensation plan.

If implemented correctly, non-financial measures can improve compensation plans while playing a pivotal role in enhancing ESG integration in companies' strategies. For shareholders, they serve as a means to hold management accountable for shareholder value creation. For companies, they can be used to better reflect the performance and value of their executives.

## **The Link Between SDGs and Voting on Shareholder Resolutions**

As sustainability-minded investors, we are concerned not only with economic returns to shareholders and good corporate governance practices of our investee companies, but also with ensuring that their business activities and practices are aligned with the broader objectives of society. We actively use our shareholder rights to influence the behaviour of our investee companies when it comes to their environmental, social and governance impact. Through our proxy voting activities we aim to address key governance and sustainability matters while protecting long-term shareholder value.

The Sustainable Development Goals (SDGs) define global sustainable development priorities for 2030 and seek to mobilize global efforts to achieve these goals, contributing to connecting business strategies with global priorities. The SDGs can be a business opportunity for listed companies, providing them with a future competitive advantage by being a source of innovation, process improvements and operational efficiencies.

The SDG framework constitutes a useful tool when assessing shareholder proposals involving environmental and social (E&S) matters. When assessing shareholder resolutions we take into account the merits of the proposal, how the company is currently tackling the issue and the overall impact of the proposal on shareholder value in the long run. Moreover we review the overall materiality of the

resolution and determine whether the objectives included in the proposal fall within the scope of the company management's influence and control.

Impact assessment of climate change and emission reduction targets are the most common subjects among environmental shareholder resolutions filed in 2018. Proponents mainly target companies operating in the utilities, oil and gas sectors. The scope of these resolutions range from requesting concrete greenhouse or methane emission target reductions, to asking the board to evaluate the long-term portfolio impacts of scenarios consistent with the goal of limiting the global increase in temperature to two degrees Celsius. Supporting these resolutions would positively contribute to SDG 13 'Climate Action' as it calls for integrating climate change measures into corporate strategies and planning, while fostering climate resilience by lowering emissions. However, some proposals call for drastic emission reductions, which would come at the expense of value creation. In these instances, the shareholder proposal is likely voted against.

Board and employee diversity-related shareholder proposals were the most common resolutions filed on the social front in 2018. We recognize the importance of corporate diversity and inclusiveness as it adds value to the business whilst improving human capital management. Shareholder support on these resolutions increased from 24.5% in 2017 to 36.6% in 2018 due to amplified governance focus and media attention on the topic. By supporting these resolutions investors are contributing to achieve SDG 5 'Gender Equality', as these support women's full and effective participation and equal opportunities for leadership at different levels of corporate decision-making roles, while advocating to end gender discrimination in the workplace.

While the number of E&S proposals decreased in 2018 compared to last year, the average level of votes in favour rose in many E&S categories. Few of the resolutions discussed in this article received majority support from shareholders, however companies are becoming more aware of investors' scrutiny regarding their non-financial impact on society and the environment. In turn, this trend contributes to enhancing the relevance of positive contributions from corporations to achieve the SDGs.

# Voting Highlights

## **Procter & Gamble Co. - 10/09/2018 - United States**

Proposal: Election of Directors

The Procter & Gamble Company provides branded consumer packaged goods to consumers in North America, Europe, Asia Pacific, Greater China, Latin America, India, the Middle East, and Africa. The company operates in five segments: Beauty, Grooming, health Care, fabric & Home Care, and Baby, Feminine & Family Care. The company sells its products through mass merchandisers, e-commerce, grocery stores, membership club stores, drug stores, department stores, distributors, wholesalers, baby stores, specialty beauty stores, high-frequency stores, and pharmacies. The Procter & Gamble Company was founded in 1837 and is headquartered in Cincinnati, Ohio.

According to internationally recognized corporate governance practices, several key board committees should consist entirely of independent board members to ensure their full objectivity. During the 2018 Annual Shareholder Meeting of P&G, the proposed board composition of fiscal year 2019 classified 12 out of 13 board nominees as independent. However, we disagreed with the independence classification of one of the board nominees.

The board nominee in question is the stepfather of an employee of P&G who received compensation of USD 127,000 from P&G in fiscal year 2018. Such family ties makes it unclear whether the director would be able to exercise sufficient independent judgement to protect shareholders' interests when serving on the board. Given this member's proposed appointment to several board committees, we voted against the nominee.

Appointing this board member to the audit committee would jeopardize overall committee independence. For this reason, a vote against the nominee was warranted. It should be noted that this different classification of independence does not necessarily mean that the nominee could not be appointed to the board in general, yet we believe that he should not be part of crucial committees that should solely consist of independent board members according to the International Corporate Governance Network (ICGN) principles.

Going forward, we will continue to encourage the company to structure the board committees in a way that complies with international corporate governance standards.

## **Origin Energy Limited - 10/17/2018 - Australia**

Proposal: Shareholder Resolution Regarding Climate Change

Origin Energy is a major vertically integrated Australian energy utility. Its energy retailing business is the largest in Australia, with about 4 million customers and a 33% market share. Its portfolio of base-load, intermediate, and peaking electricity plants is one of the largest in the national electricity market, with a capacity of 6,000 MW. Origin also operates and owns 37.5% of Australia Pacific LNG, which owns large coal seam gas fields and LNG export facilities in Queensland.

A new record has been set in Australian corporate history with the overwhelming support for an environmental shareholder proposal. About 46% of Origin Energy shareholders voted in favor of a shareholder proposal asking the board to review the company's membership of major energy and resources industry groups, while establishing a set of criteria for continuing their support. A vote in favor of this proposal was cast as this level of disclosure would be beneficial for shareholders.

Currently the company provides a list of the most relevant industry associations in which it is involved and states that its position on climate change is consistent with these associations. Some of the industry associations in which the Company is involved are acting in contradiction to Origin Energy's long-term goal of net zero emissions from the electricity sector by 2050.

Reputational risks may arise if Origin Energy is involved in industry associations seeking to weaken policy outcomes that are consistent with the goals of the Paris Agreement. We urge the company to ensure alignment between its corporate environmental strategy and the policy positions of these organizations. Failure to achieve this can deteriorate shareholder value over time, given the company's exposure to climate-related risk and energy instability.

We had the opportunity to speak with the proponent of this resolution, the Australasian Center for Corporate Responsibility (ACCR), prior to casting the votes at this shareholder meeting. A more in-depth explanation was provided by the proponent regarding the lobbying activities undertaken by the industry associations in which the company is involved.

In the last couple of years there has been an increase of shareholder resolutions filed in Australia requesting companies to be more transparent about their relationships with lobby groups. Although these resolutions did not receive a majority of votes in favor, companies began to feel the pressure from investors regarding their advocacy practices. We will monitor the disclosures provided by Origin Energy to avoid that industry associations act for short-term gain at the cost of long-term risk to shareholder value.

### **Sun Hung Kai Properties Ltd. - 11/08/2018 - Hong Kong**

Proposal: Authority to issue shares

Sun Hung Kai Properties Limited develops, sells, and rents real estate properties in Hong Kong, mainland China, and Singapore. The company primarily develops and sells properties, including residential estates, industrial buildings, offices, and shopping centers. As of 30 June 2018, its land bank comprised 64.5 million square feet of gross floor area, primarily consists of 50.7 million square feet of properties under development and rest properties for rental purpose. The company also operates in a wide range of other business, such as the operation of hotels and the provision of property management services. The company was incorporated in 1972 and is based in Wan Chai, Hong Kong.

During the 2018 AGM of Sun Hung Kai Properties Limited, we voted against two proposals requesting the authorization of the board to issue shares. One proposal requested the authorization of the board to issue additional shares up to 10% of the company's existing share capital without pre-emptive rights, and the second proposal requested authorization to issue repurchased shares, provided that it would not count against the general issuance limit.

According to Hong Kong law, a listed company may issue shares up to 20% of the outstanding share capital without pre-emptive rights, and additionally issue repurchased shares up to 10% of outstanding share capital. Moreover, these issuances may be executed with a discount up to 20% of the market price. Both the additional issuance and the discount on the price have a diluting effect on the value of shareholders' stock. Therefore, shareholders should be cautious when approving these proposals as it must be ensured that these increase shareholder value in the long run.

In order to come to an informed decision, we review the number of newly issued shares in relation to the outstanding shares, the appropriateness of the discount offered to new buyers, and the process of deciding how the company comes to these decisions. We also take into account the track record of the companies with respect to share issuances and whether there are any concerns involved.

In the case of Sun Hung Kai Properties Limited we did not find any concerns related to their track record and the overall number of shares to be issued remained within boundaries. Yet the company failed to disclose the appropriate discount rates applicable to the share issuance. Consequently, we were unable to determine the potential risks the issuances poses to shareholders and voted against both proposals.

Both proposals passed with 71% of shareholders voting in favor of the resolution. Taking into account that the strategic owners hold around 70% of outstanding shares, it can be concluded that almost all minority shareholders opposed these resolutions.

### **Oracle Corp. - 11/14/2018 - United States**

Proposal: Shareholder Proposal Regarding Independent Board Chair

Oracle sells a wide range of enterprise IT solutions, including databases, middleware, applications, and hardware. While software licenses, support, and maintenance continue to represent roughly 70% of revenue, the firm is undergoing a mix shift toward cloud-based subscriptions that should necessitate continued heavy investment in the business model transition. Oracle offers software-as-a-service, platform-as-a-service, and infrastructure-as-a-service offerings. Legacy offerings include Oracle Database software and Oracle Fusion Middleware.

Merely 29% of S&P 500 companies have an independent chair at the board level according to report published by EY. Independent board leadership is fundamental to monitor the management of the company and set a pro-shareholder agenda. A shareholder resolution was filed at Oracle's shareholder meeting held in November 2018 requesting to the board of directors to appoint an independent chair whenever possible. A vote in favor of this resolution was warranted as it is aligned with shareholders' interests.

Oracle has separated the roles of chair and CEO and appointed lead independent director to the board, following international best practices in corporate governance. The board is chaired by the founder of the company, who has been serving on the board for more than 20 years and holds 30% of Oracle's outstanding stock. Although we acknowledge Oracle's unique leadership structure, adopting a policy to appoint an independent chair may contribute to protect shareholder interests while promoting independent oversight of the Company.

This resolution gains relevance when taking into account the overall governance challenges being faced by the company. Oracle has been facing robust shareholder opposition regarding its executive compensation practices, failing to gain majority support for its say-on-pay proposal already six years in a row. Board members serving on the compensation committee, which is being chaired by the current lead independent director, received significant withhold votes from shareholders in the last shareholder meeting. This suggests that the committee is failing to fulfil its fiduciary duty, jeopardizing at the same time the reliability of the board leadership when it comes to protect shareholders' interests.

A similar shareholder resolution was filed at the company's shareholder meeting held in 2013 and received almost 44% of votes in favor from shareholders. It is becoming increasingly urgent for the company to regain support from shareholders by improving its corporate governance practices. Adopting this resolution could contribute to strengthen the confidence among shareholders regarding the company's commitment towards this purpose. We will continue monitoring Oracle's overall corporate governance practices going forward.

**Cisco Systems, Inc. - 12/12/2018 - United States**

Proposal: Executive Compensation

Company description: Cisco Systems, Inc. designs, manufactures, and sells Internet Protocol based networking and other products related to the communications and information technology industry worldwide. The company serves businesses of various sizes, public institutions, governments, and service providers. It sells its products directly, as well as through channel partners, such as systems integrators, service providers, other resellers, and distributors. The company was founded in 1984 and is headquartered in San Jose, California.

When assessing an executive compensation package we analyse, among other factors, the overall structure, transparency and height of the plan put up for vote by the company. The structure of Cisco's compensation policy is poor due to an alignment between pay and performance in addition to a series of one-off payments without performance criteria. For these reasons, we voted against the advisory vote on executive compensation at Cisco's annual shareholder meeting held in December 2018.

The disconnect between executive pay and performance at Cisco has been an ongoing point of shareholder concern. The performance-based awards granted under the Company's long-term incentive plan have a performance period of less than three years. With such a short performance period, it is unlikely that management is being incentivized to deliver on long-term business strategy. Moreover 50% of performance awards are based on a TSR multiplier relative to the S&P 500 group. It can be questioned whether the peer group is appropriate to truly reflect the target company. Failure to define an appropriate peer group could cause awards to be granted in spite of poor performance.

The structure of the Company's compensation plan is also compromised by the frequent one-off payments granted to both executives and non-executive directors. A sign-on bonus of over 25 million USD was paid to the Vice President who had to forfeit compensation from their previous employer. Nonetheless, the size of this one-off payment and the lack of performance criteria warrant concern over the structure of the normal compensation plan.

An improved structure of the compensation package is necessary to ensure that management is properly incentivized to act in the best interest of both the company and shareholders. At Cisco, there is room to improve this alignment and we continue to monitor this going forward.

# Votes Against Management

In the following instance, Border to Coast Pension Partnership voted against the recommendation of management at the shareholder meeting. In each instance where a vote against management has been cast, the rationale for the vote is also provided.

Issuer Name	Meeting Date	Proposal Description	Management Recommendation	Vote Decision	With Or Against Management	Vote Note	Meeting Type
Procter & Gamble Co.	10/9/2018	Elect Francis S. Blake	For	Against	Against Management	The nominee serves on the Nominating Committee that lacks sufficient independence. The nominee serves on the Audit Committee that lacks sufficient independence.	Annual
Procter & Gamble Co.	10/9/2018	Elect David. S. Taylor	For	Against	Against Management	The nominee serves as both Chairman and CEO.	Annual
Amcort Limited	10/11/2018	Re-elect Graeme R. Liebelt	For	Against	Against Management	The nominee serves as Chairman of the Nominating Committee and the board lacks sufficient diversity.	Annual
Cochlear Ltd.	10/16/2018	Re-Elect Glen Boreham	For	Against	Against Management	Board is not diverse enough (25/30%)	Annual
Origin Energy Limited	10/17/2018	Approve Potential Termination Benefits	Abstain	For	Against Management	Insufficient disclosure	Annual
Origin Energy Limited	10/17/2018	NED Share Plan	Abstain	For	Against Management	Insufficient disclosure	Annual
Origin Energy Limited	10/17/2018	Shareholder Proposal Regarding Facilitating Nonbinding Proposals	Against	Abstain	Against Management	The shareholder proposal process is best facilitated through regulatory changes	Annual
Origin Energy Limited	10/17/2018	Shareholder Proposal Regarding Free, Prior and Informed Consent	Against	Abstain	Against Management	The shareholder proposal process is best facilitated through regulatory changes	Annual
Origin Energy Limited	10/17/2018	Shareholder Proposal Regarding Interim Emissions Targets	Against	For	Against Management	Increases disclosure on progress towards emission targets.	Annual
Origin Energy Limited	10/17/2018	Shareholder Proposal Regarding Climate Change and Energy Advocacy Report	Against	For	Against Management	The requested disclosure could help the Company mitigate potential reputational risks	Annual
Aurizon Holdings Limited	10/18/2018	Re-elect Timothy M. Poole	For	Against	Against Management	The nominee serves as Chairman of the Nominating Committee and the board lacks sufficient diversity.	Annual
Qantas Airways Ltd	10/26/2018	Re-elect Maxine N. Brenner	For	Against	Against Management	Director serves on excessive audit committees	Annual
Auckland International Airport	10/31/2018	Authorise Board to Set Auditor's Fees	For	Against	Against Management	Excessive non-audit fees for the past 3 years.	Annual



Automatic Data Processing Inc.	11/6/2018	Elect Michael P. Gregoire	For	Against	Against Management	The nominee serves as Chairman of the Nominating Committee and the board lacks sufficient diversity.	Annual
Automatic Data Processing Inc.	11/6/2018	Advisory Vote on Executive Compensation	For	Against	Against Management	The performance period is too short.	Annual
Jupiter European Opportunities Trust plc	11/7/2018	Elect Andrew Lang Sutch	For	Against	Against Management	The nominee serves as Chairman of the Nominating Committee and the board lacks sufficient diversity.	Annual
Jupiter European Opportunities Trust plc	11/7/2018	Appointment of Auditor	For	Against	Against Management	The tenure of the auditor is excessive.	Annual
Jupiter European Opportunities Trust plc	11/7/2018	Authority to Set Auditor's Fees	For	Against	Against Management	Excessive non-audit fees for the past 3 years.	Annual
Sun Hung Kai Properties Ltd.	11/8/2018	Elect LEE Chau Kee	For	Against	Against Management	Nominee attended less than 75% of board meetings without sufficient justification.	Annual
Sun Hung Kai Properties Ltd.	11/8/2018	Elect Richard WONG Yue Chim	For	Against	Against Management	The nominee serves as Chairman of the Nominating Committee and the board lacks sufficient diversity.	Annual
Sun Hung Kai Properties Ltd.	11/8/2018	Elect William FUNG Kwok Lun	For	Against	Against Management	Serves on too many boards	Annual
Sun Hung Kai Properties Ltd.	11/8/2018	Elect William KWAN Cheuk Yin	For	Against	Against Management	The nominee serves on the Remuneration Committee that lacks sufficient independence. The nominee serves on the Nominating Committee that lacks sufficient independence.	Annual
Sun Hung Kai Properties Ltd.	11/8/2018	Appointment of Auditor and Authority to Set Fees	For	Against	Against Management	The current year non-audit fees are too high. Excessive non-audit fees for the past 3 years.	Annual
Sun Hung Kai Properties Ltd.	11/8/2018	Authority to Issue Shares w/o Preemptive Rights	For	Against	Against Management	Issue price discount not disclosed	Annual
Sun Hung Kai Properties Ltd.	11/8/2018	Authority to Issue Repurchased Shares	For	Against	Against Management	Issue price discount not disclosed	Annual
Oracle Corp.	11/14/2018	Elect Bruce R. Chizen	For	Withhold	Against Management	The nominee serves as Chairman of the Nominating Committee and the board lacks sufficient diversity.	Annual
Oracle Corp.	11/14/2018	Elect George H. Conrades	For	Withhold	Against Management	The Remuneration Committee has not responded adequately to a shareholders vote against proposed remuneration of an executive.	Annual
Oracle Corp.	11/14/2018	Elect Leon E. Panetta	For	Withhold	Against Management	Ongoing compensation concerns	Annual
Oracle Corp.	11/14/2018	Elect Naomi O. Seligman	For	Withhold	Against Management	Ongoing compensation concerns	Annual
Oracle Corp.	11/14/2018	Advisory Vote on Executive Compensation	For	Against	Against Management	The performance period is too short.	Annual
Oracle Corp.	11/14/2018	Shareholder Proposal Regarding Gender Pay Equity Report	Against	For	Against Management	Increased disclosure would allow shareholders to fully understand the steps the Company is taking to ensure equitable compensation	Annual

Oracle Corp.	11/14/2018	Shareholder Proposal Regarding Lobbying Report	Against	For	Against Management	Increased disclosure would allow shareholders to more fully assess risks presented by the Company's indirect political spending	Annual
Oracle Corp.	11/14/2018	Shareholder Proposal Regarding Independent Board Chair	Against	For	Against Management	Adoption of the proposal would better align the companies governance structure with best practice	Annual
Clorox Co.	11/14/2018	Elect Benno Dorer	For	Against	Against Management	The nominee serves as both Chairman and CEO.	Annual
Computershare	11/14/2018	Re-elect Christopher J. Morris	For	Against	Against Management	The nominee serves on the Nominating Committee that lacks sufficient independence.	Annual
Ramsay Health Care	11/14/2018	Remuneration Report	For	Against	Against Management	Plan does not disclose performance targets.	Annual
Ramsay Health Care	11/14/2018	Re-elect Peter J. Evans	For	Against	Against Management	The nominee serves on the Remuneration Committee that lacks sufficient independence. The nominee serves on the Audit Committee that lacks sufficient independence.	Annual
Ramsay Health Care	11/14/2018	Equity Grant (MD/CEO Craig Ralph McNally)	For	Against	Against Management	Plan does not disclose performance targets.	Annual
Ramsay Health Care	11/14/2018	Equity Grant (Finance director and CFO Bruce Roger Soden)	For	Against	Against Management	Plan does not disclose performance targets.	Annual
Wesfarmers Limited	11/15/2018	Remuneration Report	For	Against	Against Management	The performance period is too short.	Annual
Wesfarmers Limited	11/15/2018	Equity Grant (Group MD Rob Scott)	For	Against	Against Management	The performance period is too short.	Annual
Fortescue Metals Group Ltd	11/15/2018	Equity Grant (MD/CEO Elizabeth Gaines)	For	Against	Against Management	Inadequate rationale for bundled approval	Annual
Goodman Group	11/15/2018	Appointment of Auditor (Goodman Logistics (HK) Limited)	For	Against	Against Management	The current year non-audit fees are too high. Excessive non-audit fees for the past 3 years.	Annual
Goodman Group	11/15/2018	Remuneration Report	For	Against	Against Management	Same metric for STI and LTI ; Relative TSR and comparator group ; Discretionary STI awards	Annual
Goodman Group	11/15/2018	Equity Grant (CEO GREGORY GOODMAN)	For	Against	Against Management	Relative TSR and comparator group; Cliff vesting (EPS hurdle)	Annual
Goodman Group	11/15/2018	Equity Grant (EXECUTIVE DIRECTOR DANNY PEETERS)	For	Against	Against Management	Relative TSR and comparator group; Cliff vesting (EPS hurdle)	Annual
Goodman Group	11/15/2018	Equity Grant (DEPUTY CEO ANTHONY ROZIC)	For	Against	Against Management	Relative TSR and comparator group; Cliff vesting (EPS hurdle)	Annual
New World Development Co. Ltd.	11/20/2018	Elect Henry CHENG Kar Shun	For	Against	Against Management	The nominee serves as Chairman of the Nominating Committee and the board lacks sufficient diversity.	Annual
New World Development Co. Ltd.	11/20/2018	Elect Payson CHA Mou Sing	For	Against	Against Management	Serves on too many boards	Annual

New World Development Co. Ltd.	11/20/2018	Elect SITT Nam Hoi	For	Against	Against Management	The nominee serves on a large Company, is not independent, and the board lacks sufficient independence.	Annual
New World Development Co. Ltd.	11/20/2018	Elect Alfred SO Chung Keung	For	Against	Against Management	The nominee serves on a large Company, is not independent, and the board lacks sufficient independence.	Annual
New World Development Co. Ltd.	11/20/2018	Elect IP Yuk Keung	For	Against	Against Management	Serves on too many boards	Annual
New World Development Co. Ltd.	11/20/2018	Authority to Issue Shares w/o Preemptive Rights	For	Against	Against Management	Excessive issuance; Issue price discount not disclosed	Annual
New World Development Co. Ltd.	11/20/2018	Authority to Grant Options under the Share Option Scheme	For	Against	Against Management	Plan does not disclose performance targets.	Annual
Woolworths Group Limited	11/21/2018	Shareholder Proposal Regarding Facilitating Nonbinding Proposals	Against	For	Against Management	This proposal ensures that subsequent SHPs are voted upon.	Annual
Woolworths Group Limited	11/21/2018	Shareholder Proposal Regarding Human Rights and Labour Abuses	Against	For	Against Management	The company has not demonstrated sufficient progress towards their previous commitment.	Annual
Pernod Ricard	11/21/2018	Elect Martina Gonzalez-Gallarza	For	Against	Against Management	Board is not sufficiently independent	Mix
Pernod Ricard	11/21/2018	Elect Ian Gallienne	For	Against	Against Management	The nominee serves on the Remuneration Committee that lacks sufficient independence.	Mix
Pernod Ricard	11/21/2018	Elect Gilles Samyn	For	Against	Against Management	The nominee serves on the Audit Committee that lacks sufficient independence.	Mix
Pernod Ricard	11/21/2018	Amendments to Articles Regarding Shareholder Ownership Disclosure Requirements' Notice Period	For	Against	Against Management	The proposed amendments reduce shareholder rights.	Mix
Xinyi Solar Holdings Limited	11/21/2018	XYE Post-IPO Share Option Scheme	For	Against	Against Management	Long term awards are not linked to performance. Plan does not disclose performance targets. The performance period is too short.	Special
Microsoft Corporation	11/28/2018	Elect John W. Thompson	For	Against	Against Management	The nominee serves as Chairman of the Nominating Committee and the board lacks sufficient diversity.	Annual
Microsoft Corporation	11/28/2018	Advisory Vote on Executive Compensation	For	Against	Against Management	Performance under LTIP assessed on an annual basis and targets not disclosed.	Annual
Medtronic Plc	12/7/2018	Elect Scott C. Donnelly	For	Against	Against Management	The nominee serves as Chairman of the Nominating Committee and the board lacks sufficient diversity.	Annual
Medtronic Plc	12/7/2018	Elect Omar Ishrak	For	Against	Against Management	The nominee serves as both Chairman and CEO.	Annual
Medtronic Plc	12/7/2018	Elect Kendall J. Powell	For	Against	Against Management	The nominee serves on the Remuneration Committee that lacks sufficient independence. The nominee serves	Annual

Cisco Systems, Inc.	12/12/2018	Elect Charles H. Robbins	For	Against	Against Management	on the Nominating Committee that lacks sufficient independence. The nominee serves as both Chairman and CEO.	Annual
Cisco Systems, Inc.	12/12/2018	Advisory Vote on Executive Compensation	For	Against	Against Management	The performance period is too short.	Annual
Cisco Systems, Inc.	12/12/2018	Shareholder Proposal Regarding Independent Chair	Against	For	Against Management	Adoption of the proposal would better align the companies governance structure with best practice	Annual
Westpac Banking Corp	12/12/2018	Re-elect Craig W. Dunn	For	Against	Against Management	Other unique issue	Annual
E-MART Co Ltd	12/18/2018	Spin-off	For	Against	Against Management	Insufficient rationale	Special
Australia & New Zealand Banking Group Ltd.	12/19/2018	Re-elect Paula J. Dwyer	For	Against	Against Management	Other unique issue	Annual
National Australia Bank Limited	12/19/2018	Remuneration Report	For	Against	Against Management	The structure of the combined incentive scheme is not in shareholders' best interest; Lack of disclosure of board's discretion	Annual
National Australia Bank Limited	12/19/2018	Equity Grant (CEO Andrew Thorburn)	For	Against	Against Management	The structure of the combined incentive scheme is not in shareholders' best interest; Lack of disclosure of board's discretion	Annual

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