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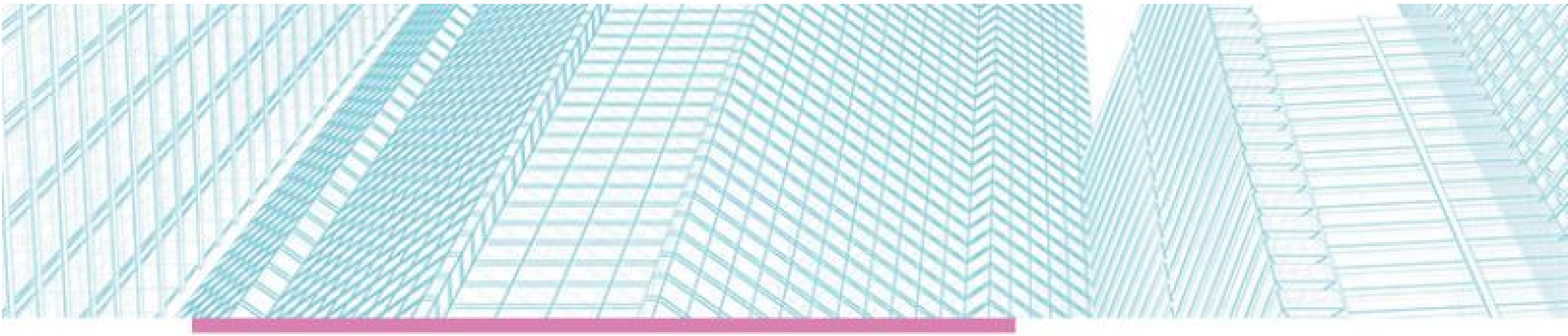
The Investment Engineers



Proxy Voting Report

Period: July 01, 2023 - September 30, 2023

Votes Cast	1696	Number of meetings	219
For	1439	With management	1439
Withhold	2	Against management	257
Abstain	0		
Against	243		
Other	12		
Total	**1696**	**Total**	**1696**

In 123 (56%) out of 219 meetings we have cast one or more votes against management recommendation.

General Highlights

The role of financial institutions in addressing climate change

There is growing awareness among policymakers, investors, and in wider society that financial institutions need to reduce funding of activities that generate significant levels of greenhouse gas emissions. At the same time, they need to increase the financing of low-carbon solutions to facilitate the transition towards net zero emissions by 2050. This is echoed by the Paris Agreement, which explicitly recognizes the need to "make finance flows compatible with a pathway toward low greenhouse gas emissions and climate-resilient development".

Moreover, the 2023 Intergovernmental Panel on Climate Change (IIPCC) report highlights the urgency of near-term climate action and the need for improved access to financial resources. It stated that "if climate goals are to be achieved, both adaptation and mitigation financing would need to increase many-fold". Finance has become a critical enabler for climate action and financial institutions need to incorporate climate change risks into their decision making. In response to these trends, investors have been placing increasing focus on the prominent role that financial institutions can play within the net zero transition. This has been evidenced through numerous collaborative initiatives, and also during this year's proxy season, as investors showed strong support for shareholder proposals requesting reports on transition planning at the annual general meetings (AGMs) of banks.

During the 2023 proxy season, financial institutions were met with a significantly high number of shareholder proposals requesting additional action and disclosures on their climate impacts. Investors increasingly demand financial institutions to show how they are supporting the transition to net zero, and one of the most frequent requests made by shareholders has been the introduction of an annual management proposal outlining the company's climate strategy – the 'Say on Climate'. The introduction of this allows shareholders to hold companies accountable for their transition plans and helps them incentivize companies to develop and deliver clear action plans for financing the climate transition.

In the same vein, shareholders have also been asking companies to adopt a time-bound phase-out policy for lending and underwriting of new fossil fuel exploration and development. This aims to further support capital reallocation towards more sustainable solutions in line with the goals of the Paris Agreement. Lastly, another popular request made by shareholders concerns the adoption of science-based greenhouse gas emissions reduction targets, with the aim of pushing financial institutions to plan for and develop a clear path towards halving their financed emissions by 2030 and reaching net zero by 2050.

In line with growing shareholder expectations, several investor initiatives, such as the Institutional Investors Group on Climate Change (IIGCC) Banks Working Group, have gained prominence over the last few years. The working group was formed in April 2021 following the publication of a set of investor expectations for the banking sector, covering topics such as alignment with the goals of the Paris Agreement, governance of climate risk, and disclosures. Ever since then, the IIGCC has worked with the Transition Pathway Initiative Global Climate Transition Centre (TPI Centre) to further develop and refine investor expectations for banks. Most recently, this collaboration has resulted in the publication of a Net Zero Standard for Banks, which will enable investors to clearly assess and engage with banks on their net zero transition plans.

Based on the expectations of the IIGCC, Robeco has also developed a climate change assessment framework for the financial sector. Using this framework, we assess banks on several indicators of how well they are managing the net zero transition, including their net zero commitment, disclosure of short, medium and long-term emissions reduction targets, their decarbonization strategy and climate governance, among other things. The outcomes of this assessment are not only used in our engagement activities, but also in our voting approach at the AGMs of the financial institutions under scope.

A negative assessment informs a vote against management on an appropriate agenda item. Through this integrated approach, our aim is to promote sustainable business practices in the financial sector and to encourage management to create long-term value, by avoiding climate-related risks and seeking out the opportunities of low carbon, sustainable development.

Voting Highlights

Liberty Global plc - 07/13/2023 - United States
Proposal: Reincorporation to Bermuda.

Liberty Global plc, together with its subsidiaries, provides broadband internet, video, fixed-line telephony, and mobile communications services to residential and business customers.

In Q3 2023, Liberty Global held an Extraordinary General Meeting (EGM) where the company proposed to change its jurisdiction of incorporation to Bermuda.

The company stated that the main objective of the re-domiciliation would be to create shareholder value, by aligning the U.S. style corporate law of Bermuda with their listing on Nasdaq, and through the strategic use of financing, cross-border M&A and investments, share buybacks, self-tender offers, spin-offs and split-offs, which are easier to execute as a Bermudian company.

While considering the benefits of the proposal, we determined that these were associated with significant changes to the company's corporate governance, which would result in concerning losses of shareholder rights and protection mechanisms. More specifically, under Bermuda Law, the company would no longer be required to obtain shareholder approval to conduct share buybacks and self-tender offers, to enter into related party transactions, or to waive the application of pre-emptive rights on new equity issues, among others.

On balance, Robeco decided that the negative impacts on shareholder rights outweighed the benefits of the proposed re-domiciliation. Therefore, we did not support the change of jurisdiction and its related proposals.

Lenovo Group Ltd. - 07/20/2023 - Hong Kong
Proposals: Election of Directors & Authority to Issue Shares.

Lenovo Group Limited, an investment holding company, develops, manufactures, and markets technology products and services. It operates through Intelligent Devices Group, Infrastructure Solutions Group, and Solutions and Services Group segments.

Lenovo's 2023 Annual General Meeting (AGM) agenda featured a number of proposals commonly seen in the ballots of companies from Hong Kong. Amongst these resolutions, the ones regarding director elections and requesting authority to issue shares were particularly noteworthy.

At the meeting, four board members were up for election. Robeco voted Against the election of three of these directors to express our concerns regarding a number of shortcomings related to the company's board composition. Firstly, the director holding the combined Chair/CEO role heads the nomination committee. We view this as a significant concern, as we believe that the key board committees should be chaired by independent directors to ensure appropriate oversight and representation of the interests of minority shareholders. As a result, we voted Against the non-independent chair of the nomination committee. Secondly, we voted Against the re-election of a member of the remuneration committee after determining that the committee was not sufficiently independent. The proposed committee is 50% independent, while the local market requirement is majority independence. The forementioned member of the remuneration committee is considered to be independent by the company, but we assessed that this was not an appropriate classification due to the director's tenure of 18 years. Lastly, we voted

Against the re-election of another board nominee due to their unsatisfactory meeting attendance record. Specifically, the director attended less than 75% of the meetings held during the past year.

In addition, we voted Against two proposals requesting general authority to issue shares without pre-emptive rights and repurchased shares. The proposed authority to issue shares without pre-emptive rights raised concerns due to the sizeable issuance limit of 20% of issued share capital, combined with no disclosure of a maximum price discount. We determined that granting such a high level of discretion over the company's capital did not sufficiently protect the interests of minority shareholders. The proposed authority to issue repurchased shares raised similar concerns due to the lack of disclosure of a maximum price discount.

Mckesson Corporation - 07/21/2023 - United States
Proposal: Shareholder Proposal Regarding Severance Approval Policy.

McKesson Corporation provides healthcare services in the United States and internationally. It operates through four segments: U.S. Pharmaceutical, Prescription Technology Solutions (RxTS), Medical-Surgical Solutions, and International.

This year's Annual General Meeting (AGM) of McKesson Corporation included one shareholder proposal focused around the governance of the company's severance pay practices. The proposal requested that McKesson sought shareholder approval for severance payments valued at 2.99 times the sum of salary and short-term bonus.

Severance pay consists of compensation awarded to employees who part ways with a company, and if severance payments exceed a value threshold of 2.99 times base salary and bonus, companies can no longer deduct them as an expense. For this reason, it is important that shareholders are given the opportunity to approve high severance payments valued above this threshold, since these are not deductible.

As a result, and in line with our policy that focuses on responsible executive remuneration and improving accountability mechanisms, we decided to support the shareholder proposal, which received close to 11% support from shareholders that participated in the vote.

Nike, Inc. - 09/12/2023 - United States
Proposals: Advisory Vote on Executive Compensation, Shareholder Proposal Regarding Median Gender and Racial Pay Equity Report & Shareholder Proposal Regarding Report on Supply Chain Management.

NIKE, Inc., together with its subsidiaries, designs, develops, markets, and sells athletic footwear, apparel, equipment, and accessories worldwide.

At Nike's 2023 AGM, shareholders voted on a number of resolutions routinely encountered on US firm ballots, as well as on two management-opposed shareholder proposals.

The Say on Pay proposal was particularly relevant as the resolution only garnered 65% support at the 2022 AGM. We engaged with Nike on the topic of executive remuneration and were pleased to see that the company rolled out major improvements to its compensation program. In particular, the company increased the ratio of long-term incentives (LTI) delivered in the form of performance-based equity awards (PSUs), while also moving to year-long targets under the short-term incentive plan (STI) and making no discretionary upward adjustments to final payouts. While recognizing the positive changes, we maintained our concern regarding pay magnitude. Per the Summary Compensation Table, 2023 CEO pay stood at nearly USD 33 million. This, alongside a few other areas of concern, resulted in the company failing our remuneration framework. We therefore cast a vote Against the Say on Pay proposal.

The first shareholder proposal on the agenda requested that "Nike report on median pay gaps across race and gender, including associated policy, reputational, competitive, and operational risks, and risks related to recruiting and retaining diverse talent." The second asked that the company "issue a report assessing the effectiveness of its existing supply chain management infrastructure in ensuring alignment with Nike's equity goals and human rights commitments." While recognizing Nike's existing disclosures and efforts when it comes to pay equity and supply chain management, we assessed that there is further room for improvement and that the disclosures requested by the proposals would allow shareholder to better assess the firm's risk profile. As a result, we supported both proposals.

Fedex Corp - 09/21/2023 - United States
Proposals: Shareholder Proposal Regarding Just Transition Reporting & Shareholder Proposal Regarding Paid Sick Leave.

FedEx Corporation provides transportation, e-commerce, and business services in the United States and internationally. It operates through FedEx Express, FedEx Ground, FedEx Freight, and FedEx Services segments.

On Thursday September 21, shareholders were presented with several shareholder resolutions during the Annual General Meeting (AGM) of FedEx Corporation. Two of these were particularly noteworthy.

One shareholder resolution requested the company to prepare a report disclosing how it is addressing the impact of its climate change strategy on relevant stakeholders. These include but are not limited to its employees, workers in its supply chain, and communities in which it operates, in alignment with the Just Transition guidelines of the International Labor Organization (ILO) and indicators of the World Benchmarking Alliance (WBA).

Adapting to climate change can have significant social and organizational implications. In order to safeguard a fair transition and avoid potential reputational and legal risks, it is important that companies report on how they consider stakeholders in their decisions around the company's transition. Therefore, our policy aims to support sensible shareholder resolutions requesting companies to report or enhance reporting on social and environmental topics that are material for their business. In this case, we determined that the company's current disclosures are limited, so we supported the shareholder proposal. The proposal received 30% support from shareholders.

The second shareholder resolution requested the company to publicly disclose its permanent paid sick leave policies. Generally, we support proposals that aim to increase transparency around material ESG topics. However, in this case, FedEx Corporation is planning to reorganize its operating companies as "one FedEx", which includes a review of a number of policies impacting the company's global workforce. Due to the incoming policy changes, we determined that the additional disclosures requested in the shareholder resolution held limited added value at this time, so we did not support it. However, we will continue to monitor the company's management and disclosures around this subject going forward.

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