



# 1. VOTING VOLUMES

This section shows the number of Meetings, Meeting Types & Resolutions voted by the Surrey pension fund.

## 1.1 MEETINGS

Table 1 below shows that Surrey voted at 43 shareholder meetings during the Quarter under review.

Table 1: Meetings Voted

Region	Meeting Type						Total
	AGM	Class	Court	EGM	GM	SGM	
Asia & Oceania: Developed	3	0	0	0	0	0	3
Europe: Developed	5	0	0	0	0	0	5
Japan	2	0	0	0	0	0	2
North America	25	0	0	0	0	0	25
South & Central America	1	0	0	2	0	0	3
UK & Ireland	5	0	0	0	0	0	5
<b>Total</b>	<b>41</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>43</b>

In all tables:

AGM	The Annual General Meeting of shareholders, normally required by law.
Class	A Class Meeting is held where approval from a specific class of shareholders is required regarding a business item.
Court	A Court Meeting, where shareholders can order an annual meeting or a special meeting from a court or where a meeting is called by a Court of Law to approve a Scheme of Arrangement.
EGM	An Extraordinary General Meeting of shareholders, where a meeting is required to conduct business of an urgent or extra-ordinary nature. Such business may require a special quorum or approval level.
GM	A General Meeting of shareholders, often used interchangeably with the term EGM or OGM, depending on the term used by the company in question.
SGM	A Special General Meeting of shareholders, where a meeting is required to conduct special business. Often business which requires a special quorum or approval level.

## 1.2 RESOLUTIONS

Table 2 shows the total number of resolutions voted by region, broken down by meeting type.

In the Quarter under review, the fund was eligible to vote on 804 resolutions, with the majority of these in North America (57.21%), Europe: Developed (16.17%), and UK & Ireland (15.17%).

Table 2: Resolutions Voted

Region	Meeting Type						Total
	AGM	Class	Court	EGM	GM	SGM	
Asia & Oceania: Developed	29	0	0	0	0	0	29
Europe: Developed	130	0	0	0	0	0	130
Japan	16	0	0	0	0	0	16
North America	460	0	0	0	0	0	460
South & Central America	22	0	0	25	0	0	47
UK & Ireland	122	0	0	0	0	0	122
<b>Total</b>	<b>779</b>	<b>0</b>	<b>0</b>	<b>25</b>	<b>0</b>	<b>0</b>	<b>804</b>

## 1.3 MEETINGS BY MONTH

The table below shows the majority of the meetings voted at by Surrey in the Quarter were held in May, reflecting the relatively condensed AGM season for companies in North America.

Table 3: Meetings Voted Per Month

Event	April	May	June	Total
AGM	9	25	7	41
Class	0	0	0	0
Court	0	0	0	0
EGM	1	0	1	2
GM	0	0	0	0
SGM	0	0	0	0
<b>Total</b>	<b>10</b>	<b>25</b>	<b>8</b>	<b>43</b>

## 2. VOTING PATTERNS

This section analyses some patterns of voting by resolution category and voting policy.

### 2.1 VOTES AGAINST MANAGEMENT

Table 4 shows the total number of resolutions which Surrey was entitled to vote along with the number of contentious resolutions voted during the Quarter. Surrey voted against management on 28.98% of the resolutions for which votes were cast during 2023 Q2, which is a higher dissent rate than the proportion of resolutions opposed in the previous quarter (2023 Q1: 23.71%, 2022: Q4: 23.73%, 2022 Q3: 42.86%, 2022 Q2: 29.36%).

Board resolutions accounted for 49.63% of all resolutions voted during the Quarter and 29.79% of the total resolutions voted against management. 53 of the board-related resolutions voted against management were votes cast against management-proposed director candidates and nine were votes against the discharge of directors from liability. In addition, Surrey supported eight board-related shareholder proposals.

39.86% of Remuneration resolutions were voted against management. Of the 59 resolutions opposed, 35 were remuneration report approvals, 10 were remuneration policy approvals, five were non-executive remuneration approvals, three were long-term incentive approvals, three were shareholder-proposed resolutions, two concerned say on pay frequency, and one was a resolution to set the limit on aggregate remuneration payable to the Board of Directors.

21 of Surrey's oppositional votes in the Audit & Reporting category were votes cast against the appointment of an external auditor due to concerns with audit tenure and independence. The remaining oppositional votes were votes cast against the report & accounts due to various disclosure concerns and to register dissent over the lack of a resolution to approve executive remuneration on the AGM agenda.

Surrey voted against nine resolutions in the Shareholder Rights category. Three of the resolutions opposed related to a request from a board for an authority to convene ordinary general meetings (other than AGMs) with a 14-day notice period and the remainder concerned shareholder proposals.

All Capital-related resolutions opposed concerned share issue authority requests. Surrey voted in line with management recommendation on all resolutions in the Corporate Action category.

Surrey voted against management on 48 shareholder proposals in the Sustainability category and against four management-proposed resolutions. The management resolutions opposed concerned three resolutions to allow political expenditure at UK companies and the approval of the climate strategy progress report at Shell.

Table 4: Votes Against Management By Resolution Category

Resolution Category	Total Resolutions	Voted Against Management	% Against Management	% All Votes Against Management
Audit & Reporting	63	29	46.03%	12.45%
Board	399	70	17.54%	30.04%
Capital	81	13	16.05%	5.58%
Corporate Action	5	0	0.00%	0.00%
Other	1	1	100.00%	0.43%
Remuneration	148	59	39.86%	25.32%
Shareholder Rights	48	9	18.75%	3.86%
Sustainability	59	52	88.14%	22.32%
<b>Total</b>	<b>804</b>	<b>233</b>	<b>28.98%</b>	<b>100.00%</b>

## 2.2 DISSENT BY RESOLUTION CATEGORY

Table 5 shows the number of resolutions voted by Surrey, broken down by resolution category, along with Surrey's level of dissent and average general shareholder dissent in each category.

Surrey was more active than the average shareholder in expressing concerns through votes at corporate meetings. Whereas general shareholder dissent stood at 6.56%, Surrey opposed management on 28.98% of resolutions.

Resolutions opposed by Surrey received average general shareholder dissent of 13.37%, a much higher level than the dissent received on resolutions which Surrey supported (3.80%). This highlights that Surrey has a robust policy which is consistent and aligned with other investors governance concerns.

Table 5: Dissent by Resolution Category

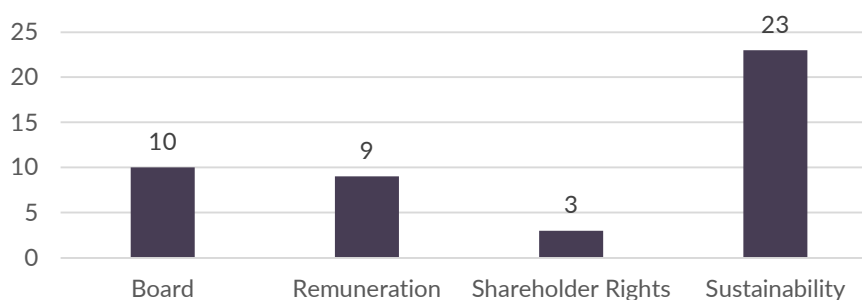
Resolution Category	Total Resolutions	% Surrey Against Management	Average Shareholder Dissent %
Audit & Reporting	63	46.03%	2.13%
Board	399	17.54%	5.48%
Capital	81	16.05%	4.24%
Corporate Action	5	0.00%	3.35%
Other	1	100.00%	-
Remuneration	148	39.86%	6.66%
Shareholder Rights	48	18.75%	11.71%
Sustainability	59	88.14%	18.30%
<b>Total</b>	<b>804</b>	<b>28.98%</b>	<b>6.56%</b>

Poll data was collected for 86.90% of resolutions voted by Surrey during the Quarter.

### 2.2.1 VOTE OUTCOMES

The UK Corporate Governance Code recommends boards to take action where 20% or more of votes are cast against the board recommendation on a resolution. As such, a shareholder dissent level of 20% is generally considered to be significant. During the Quarter, Surrey voted against management on 45 resolutions that received shareholder dissent of more than 20%. This compares to four resolutions opposed with high dissent in the previous quarter.

Figure 1: High Dissent Resolutions by Resolution Category



During 2023 Q2, Surrey voted against one resolution proposed by management that was defeated and supported one successful shareholder-proposed resolution. This compared to no defeated management-proposed resolutions and one successful shareholder-proposed resolution in 2023 Q1.

Surrey voted in favour on a shareholder proposal at Dollar General Corp requesting the Board to commission an independent third-party audit on the impact of the Company's policies and practices on the safety and well-being of workers. Surrey supported the proposal, and the proposal was successful receiving 66.22% votes in favour.

Workplace safety and well-being risk management is important as failures can result in issues regarding retention & recruitment of a skilled workforce, operational issues, erosion of company reputation, and fines and litigation.

Dollar General is included in the Occupational Safety and Health Administration (OSHA) "Severe Violator Enforcement Program" (SVEP), as a result of the numbers of repeated safety and health violations found in its facilities across the United States. Additionally, the company is subject to OSHA Enforcement Actions and Fines of more than \$16m issued since 2017 after nearly 200 inspections nationwide.

The proposal recommended that the audit include an evaluation of management and business practices that contribute to an unsafe or violent environment, including staffing capacity; meaningful consultation with workers and customers to inform appropriate solutions; and recommendations for actions and regular reporting with progress on identified actions.

Surrey voted against the approval of CME Group Inc's remuneration report and the report was defeated with 67.92% of the shareholder ballot withholding support. The vote outcome means that the company has suffered two consecutive remuneration defeats as 76.77% of the shareholder ballot withheld support at the 2022 AGM.

Surrey had held concerns with the remuneration committee's response to shareholder concerns expressed at the 2022 AGM over the one-off \$5.0m special bonus paid to CEO Terrence Duffy and with the alignment of pay with performance. In particular, concerns were held with the remuneration committee's decision to grant Mr. Duffy a salary increase of 33%, from \$1.5m to \$2.0m, as part of a revised employment agreement and with the structure of long-term incentive awards and the cash severance provisions in place.

Table 6: Top 5 High Dissent Resolutions Voted Against Management

Company	Resolution	Shareholder Dissent	Surrey Policy Concern
Dollar General Corp	To request the Board to prepare a report to shareholders on worker safety and well-being	68.41%	The shareholder proposal if enacted, would provide enhanced transparency on human capital management and workplace health and safety.
CME Group Inc	To approve an advisory vote on the remuneration of the Company's named executive officers	67.92%	Concerns were held with the structure of executive remuneration and the alignment of pay with performance.
Bayer AG	To approve the compensation report	56.47%	Concerns were held with the structure of executive remuneration and level of disclosure provided on incentive pay.
SCOR SE	To re-elect as a director, Fields Wicker-Miurin	46.27%	Independence concerns.
CME Group Inc	To re-elect as a director, Charles Carey	45.50%	Independence concerns.

## 2.3 RESOLUTION TYPES AND SUB-CATEGORIES

### 2.3.1 SHAREHOLDER PROPOSED RESOLUTIONS

75 resolutions voted during the period were proposed by shareholders. 74 of the shareholder resolutions were proposed in the North America region and one was proposed in the UK & Ireland market. Surrey voted on six shareholder proposals in the previous quarter.

Shareholder proposals are resolutions put forward by shareholders who want the board of a company to implement certain measures, for example around corporate governance, social and environmental practices. Although they are generally not binding, they are a powerful way to advocate publicly for change on policies such as climate change and often attract relatively high levels of votes against management.

On average, the shareholder proposals received 18.40% votes in favour during the Quarter and one shareholder proposal was successful.

Table 7: Shareholder Proposed Resolutions

Company	Shareholder Proposal	Surrey Vote	% For
Abbott Laboratories	To request the Board to take the steps necessary to amend the Bylaws so that a lower threshold is required for shareholders to call a special shareholder meeting	For	4.26%
Abbott Laboratories	To request that the Board establish a policy of the Chairman being an independent director	For	30.46%
Abbott Laboratories	To request the Board to prepare a report to shareholders on lobbying	For	22.97%
Abbott Laboratories	To request that the Board adopt a policy that no financial performance metric shall be adjusted to exclude legal or compliance costs in connection with any senior executive incentive compensation award	For	14.44%
Alphabet Inc	To request the Board to prepare a report to shareholders on lobbying	For	17.74%
Alphabet Inc	To request the Board to prepare a congruency report	Against	0.43%
Alphabet Inc	To request the Board to prepare a climate lobbying report	For	14.14%
Alphabet Inc	To request the Board to prepare a report on reproductive rights and data privacy	For	6.97%
Alphabet Inc	To request the Board a human rights assessment of data center siting	For	13.02%
Alphabet Inc	To request that the Board make an assessment of human rights regarding targeted ad policies and practices	For	17.78%
Alphabet Inc	To request that the Board disclose more information on algorithmic systems	For	16.97%
Alphabet Inc	To request the Board to prepare a report on alignment of youtube policies with legislation	For	17.94%
Alphabet Inc	To request the Board to prepare a content governance report	Against	0.62%
Alphabet Inc	To request the Board a performance review of the audit and compliance committee	For	8.34%
Alphabet Inc	To request the bylaws amendment	Against	4.94%

Company	Shareholder Proposal	Surrey Vote	% For
Alphabet Inc	To request the Board to retain significant stock	For	9.71%
Alphabet Inc	To request the Board to equal shareholder voting	For	30.73%
Altria Group Inc	To request the Board to prepare a report to shareholders on the congruence of political and lobbying expenditures	For	10.75%
Altria Group Inc	To request the Board to prepare a report to shareholders on civil rights equity audit	For	30.43%
Amazon.com Inc	To request that the board report to shareholders on retirement plan options	For	6.66%
Amazon.com Inc	To request that the board report to shareholders on customer due diligence	For	33.91%
Amazon.com Inc	To request that the board report to shareholders on content and product removal/restrictions	For	10.24%
Amazon.com Inc	To request that the board report to shareholders on content removal requests	For	1.59%
Amazon.com Inc	To request the board report additionally on stakeholder impacts	For	26.99%
Amazon.com Inc	To request that the board report alternatively on tax	For	17.55%
Amazon.com Inc	To request that the board report to shareholders on climate lobbying	For	23.54%
Amazon.com Inc	To request that the board report to shareholders on gender/racial pay	For	29.03%
Amazon.com Inc	To request an analysis of costs associated with diversity, equity and inclusion programs	Against	0.83%
Amazon.com Inc	To request an amendment to the Bylaws to require shareholder approval for certain future amendments	For	11.45%
Amazon.com Inc	To request that the board report additionally on freedom of association	For	34.63%
Amazon.com Inc	To request that the board adopt a new policy regarding executive compensation process	For	6.46%
Amazon.com Inc	To request that the board report to shareholders on animal welfare standards	For	5.56%
Amazon.com Inc	To request an additional board committee	For	6.27%
Amazon.com Inc	To request an alternative director candidate policy	For	18.32%
Amazon.com Inc	To request that the board report to shareholders on warehouse working conditions	For	35.16%
Amazon.com Inc	To request that the board report to shareholders on packaging materials	For	31.83%
Amazon.com Inc	To request that the board report to shareholders on customer use of certain technologies	For	37.18%
Danaher Corp	To request that the Board establish a policy of the Chairman being an independent director	For	38.24%
Danaher Corp	To request the Board to prepare a report to shareholders on the effectiveness of the company's diversity, equity and inclusion efforts	For	15.94%



Company	Shareholder Proposal	Surrey Vote	% For
Dollar General Corp	To request that the Board reports to shareholders on cage-free eggs progress disclosure	For	36.08%
Dollar General Corp	To request the Board to take the steps necessary to amend the Bylaws so that shareholders may call a special shareholder meeting	Against	12.60%
Dollar General Corp	To request the Board to prepare a report to shareholders on worker safety and well-being	For	66.22%
Eli Lilly & Company	To request the Board to prepare a report to shareholders on lobbying	For	31.21%
Eli Lilly & Company	To request the Board to amend the governing documents to remove the supermajority voting provisions	For	40.57%
Eli Lilly & Company	To request that the Board report to shareholders on the process by which the impact of extended patent exclusivities on product access would be considered regarding secondary and tertiary patents	For	10.28%
Eli Lilly & Company	To request the Board to prepare a report to shareholders on risks of supporting abortion	Against	1.87%
Eli Lilly & Company	To request the Board to prepare a report to shareholders on lobbying activities and alignment with public policy positions and statements	For	22.29%
Eli Lilly & Company	To request the Board to prepare a report to shareholders on effectiveness of the company's diversity, equity and inclusion efforts	For	26.95%
Eli Lilly & Company	To request that the Board adopt a policy to require third party's to annually report expenditures for political activities	For	4.08%
General Electric Company Inc	To request that the Board establish a policy of the Chairman being an independent director	For	31.69%
General Electric Company Inc	To request the Board to Sell the Company	Against	0.50%
General Electric Company Inc	To request the Board to produce Fiduciary Carbon-Emission Relevance Report	Against	1.13%
General Electric Company Inc	To request the Board to Assess Energy-Related Asset Resilience	For	9.79%
Goldman Sachs Group Inc	To request the Board to prepare a report to shareholders on lobbying	For	35.32%
Goldman Sachs Group Inc	To request that the Board establish a policy of the Chairman being an independent director	For	16.20%
Goldman Sachs Group Inc	To request that the Board commission and publish a third-party review of whether the China-focused ETFs align with its commitments	For	2.44%
Goldman Sachs Group Inc	To request the Board to prepare a report to shareholders on Racial Equity Audit	For	11.48%
Goldman Sachs Group Inc	To request that the Board reports to shareholders on Policy to Phase Out Fossil Fuel-Related Lending & Underwriting Activities	For	6.82%
Goldman Sachs Group Inc	To request that the Board reports to shareholders on Disclosure of 2030 Absolute Greenhouse Gas Reduction Goals	For	12.49%

Company	Shareholder Proposal	Surrey Vote	% For
Goldman Sachs Group Inc	To request that the Board reports to shareholders on Climate Transition	For	29.73%
Goldman Sachs Group Inc	To request that the Board reports to shareholders on Pay Equity	For	30.10%
JPMorgan Chase & Co	To request that the Board establish a policy of the Chairman being an independent director	For	37.54%
JPMorgan Chase & Co	To request the Board to adopt a policy to cease financing new fossil fuel development	For	8.10%
JPMorgan Chase & Co	To request the Board to amend public responsibility committee charter to include mandate to oversee animal welfare impact and risk	For	3.36%
JPMorgan Chase & Co	To request the Board to take the steps necessary to amend the Bylaws so that a lower threshold is required for shareholders to call a special shareholder meeting	For	34.85%
JPMorgan Chase & Co	To request that the Board reports to shareholders on climate transition planning	For	34.79%
JPMorgan Chase & Co	To request the Board to prepare a report to shareholders on ensuring respect for civil liberties	For	2.29%
JPMorgan Chase & Co	To request the Board to prepare a report to shareholders on analyzing the congruence of the company's political and electioneering expenditures	For	31.61%
JPMorgan Chase & Co	To request the Board to adopt policies to reduce emissions	For	12.44%
MasterCard Inc	To request that the Board report to shareholders on ensuring respect for civil liberties	Against	0.61%
MasterCard Inc	To request the Board to prepare a report to shareholders on Mastercard's stance on new Merchant Category Code	For	9.42%
MasterCard Inc	To request the Board to prepare a report to shareholders on lobbying	For	27.85%
MasterCard Inc	To request that stockholders approve advance notice bylaw amendments	For	13.40%
MasterCard Inc	To request the Board to prepare a report to shareholders on the cost benefit analysis of diversity and inclusion efforts	Against	0.50%
Shell plc	To request the alignment of the existing 2030 reduction target covering the GHG emissions with the goal of the Paris Agreement	For	19.29%

## 2.3.2 REMUNERATION

Votes against remuneration resolutions in 2023 Q2 reflected the principles advocated in Surrey's voting policy. Fix distinct concerns informed Surrey's remuneration voting during the Quarter:

- **Disclosure:** There was incomplete forward-looking disclosure on the performance conditions applicable to the long-term incentive awards to be granted in the coming year. This was a factor in 39 of the resolutions opposed by the fund.
- **Assessment:** In 22 of the resolutions opposed by the fund the company in question had received a low Minerva Remuneration Assessment grade.
- **LTIP Vesting:** The performance period and/or vesting period was considered too short. This was a factor in 14 of the resolutions opposed by the fund.
- **Severance Provisions:** Contract provisions for executives provided for potentially excessive severance payments on early termination. This was a factor in 13 of the resolutions opposed by the fund.

All remaining concerns featured in less than 10 resolutions opposed during the Quarter. These concerns included a lack of transparency on the upper individual limit in respect of a long-term incentive plan or annual bonus plan, a generous level of vesting for threshold performance, and various disclosure and alignment concerns.

Table 8: Remuneration Votes Against Management

Resolution Category	Total Resolutions	Voted Against Management	% Against Management
Remuneration - Other	66	5	7.58%
Remuneration - Report	35	35	100.00%
Remuneration - Policy (Overall)	11	10	90.91%
Remuneration - Non-executive	10	5	50.00%
Remuneration - Policy (Long-term Incentives)	9	3	33.33%
Remuneration - Amount (Total, Individual)	6	0	0.00%
Remuneration - Amount (Total, Collective)	6	1	16.67%
Remuneration - Policy (All-employee Share Plans)	5	0	0.00%
<b>Total</b>	<b>148</b>	<b>59</b>	<b>39.86%</b>

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