



# 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 seven AGMs and three non-AGMs during the Quarter under review.

Table 1: Meetings Voted

Region	Meeting Type							Total
	AGM	Class	Court	EGM	GM	OGM	SGM	
Asia & Oceania: Developed	1	0	0	0	0	0	0	1
Asia & Oceania: Emerging	1	0	0	0	0	2	0	3
Europe: Developed	1	0	0	1	0	0	0	2
Japan	1	0	0	0	0	0	0	1
North America	3	0	0	0	0	0	0	3
<b>Total</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>10</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 extraordinary nature. Such business may require a special quorum or approval level.
GM	A General Meeting, a term often used interchangeably with the terms EGM and OGM depending on the term used by the company in question.
OGM	An Ordinary General Meeting, a term often used interchangeably with the terms EGM, and GM 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 108 resolutions.

Table 2: Resolutions Voted

Region	Meeting Type							Total
	AGM	Class	Court	EGM	OGM	GM	SGM	
Asia & Oceania: Developed	4	0	0	0	0	0	0	4
Asia & Oceania: Emerging	8	0	0	0	12	0	0	20
Europe: Developed	20	0	0	6	0	0	0	26
Japan	11	0	0	0	0	0	0	11
North America	47	0	0	0	0	0	0	47
<b>Total</b>	<b>90</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>108</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 March. The higher number of meetings in March reflects the earliest of the AGMs for companies with financial years ending on 31<sup>st</sup> December 2023.

Table 3: Meetings Voted Per Month

Event	January	February	March	Total
AGM	1	1	5	7
Class	0	0	0	0
Court	0	0	0	0
EGM	0	0	1	1
GM	0	0	0	0
OGM	1	0	1	2
SGM	0	0	0	0
<b>Total</b>	<b>2</b>	<b>1</b>	<b>7</b>	<b>10</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 26.85% of the resolutions for which votes were cast during 2024 Q1, which is a slightly lower dissent rate than the proportion of resolutions opposed in the previous quarter (2023: Q4: 26.98%, 2023 Q3: 18.37%, 2023 Q2: 28.98%, Q1: 23.71%).

Board resolutions accounted for 56.48% of all resolutions voted and 33.33% of the total resolutions voted against management. Surrey voted against 12 management-proposed director candidates primarily due to board independence and diversity concerns.

72.73% of Remuneration resolutions were voted against management. Of the eight resolutions voted against, four were remuneration report approvals, two were resolutions seeking approval of the fees payable to the Board of Directors, one was a long-term incentive plan approval, and one was a resolution to approve the remuneration policy.

Surrey voted against four resolutions in the Audit & Reporting category. Three of the dissenting votes concerned the re-appointment of an external auditor where concerns were held with audit tenure and the lack of disclosure regarding a recent tender and/or planned tender of the audit contract. The remaining dissenting vote was a vote cast against the report & accounts due to disclosure concerns over the reporting provided on internal audit and internal control processes.

All resolutions in the Sustainability category were shareholder proposed resolutions. Surrey voted in favour of four of the shareholder proposals (66.67%). Surrey also voted in favour of a shareholder proposal in the Political Activity category.

Surrey voted in line with management recommendation on all resolutions in the Capital, Corporate Action and Shareholder Rights categories and did not vote in any resolutions in the Other category.

Table 4: Votes Against Management By Resolution Category

Resolution Category	Total Resolutions	Voted Against Management	% Against Management	% All Votes Against Management
Audit & Reporting	12	4	33.33%	13.79%
Board	61	12	19.67%	41.38%
Capital	7	0	0.00%	0.00%
Corporate Action	6	0	0.00%	0.00%
Other	0	0	-	-
Political Activity	1	1	100.00%	3.45%
Remuneration	11	8	72.73%	27.59%
Shareholder Rights	4	0	0.00%	0.00%
Sustainability	6	4	66.67%	13.79%
<b>Total</b>	<b>108</b>	<b>29</b>	<b>26.85%</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 4.21%, Surrey opposed management on 26.85% of resolutions.

Resolutions opposed by Surrey received average general shareholder dissent of 9.47%, a much higher level than the dissent received on resolutions that Surrey supported (2.19%). 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	12	33.33%	2.96%
Board	61	19.67%	3.19%
Capital	7	0.00%	1.54%
Corporate Action	6	0.00%	0.01%
Other	0	-	-
Political Activity	1	100.00%	17.97%
Remuneration	11	72.73%	4.57%
Shareholder Rights	4	0.00%	13.88%
Sustainability	6	66.67%	16.87%
<b>Total</b>	<b>108</b>	<b>26.85%</b>	<b>4.21%</b>

Poll data was collected for 89.81% 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 four resolutions that received shareholder dissent of more than 20%. This compares to three resolutions opposed with high dissent in the previous quarter.

Table 6: High Dissent Resolutions

Company	Resolution	Shareholder Dissent	Surrey Policy Concern
Apple Inc	To request the Board to prepare a report to shareholders on Racial and Gender Pay Gaps	31.59%	The shareholder proposal if enacted, would enhance transparency on pay gaps and diversity & inclusion practices.
Apple Inc	To request the Board to prepare a report to shareholders on Use of AI	39.24%	The shareholder proposal if enacted, would enhance disclosure on the Company's approach to managing and mitigating AI-related risks.
Applied Materials Inc	To request the Board to prepare a report to shareholders on pay equity reporting	22.10%	The shareholder proposal if enacted, would enhance transparency on pay gaps and diversity & inclusion practices.
Bank Mandiri (Persero) Tbk PT	To approve the changes in the Composition of the Company's Management	30.67%	Insufficient disclosure provided to make an informed voting decision and concerns regarding Board independence.

During 2024 Q1, no resolutions proposed by management were defeated and no shareholder-proposed resolution was successful. This was also the case in the previous quarter.

## 2.3 RESOLUTION TYPES AND SUB-CATEGORIES

### 2.3.1 SHAREHOLDER PROPOSED RESOLUTIONS

Seven resolutions voted during the period were proposed by shareholders. All of the shareholder resolutions were proposed in the North America region. Surrey voted on nine 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 17.03% dissent (i.e., a vote against management recommendation) during the Quarter. In all cases, management recommended shareholders to vote against the shareholder proposal. No shareholder proposal was successful during 2024 Q1.

Table 7: Shareholder Proposed Resolutions

Company	Shareholder Proposal	Surrey Vote	% Dissent
Apple Inc	To request the Board to prepare a report to shareholders on EEO Policy Risk	Against	2.43%
Apple Inc	To request the Board to prepare a report to shareholders on ensuring Respect for Civil Liberties	Against	3.06%
Apple Inc	To request the Board to prepare a report to shareholders on Racial and Gender Pay Gaps	For	31.59%
Apple Inc	To request the Board to prepare a report to shareholders on Use of AI	For	39.24%
Apple Inc	To request the Board to prepare a report to shareholders on Privacy and Human Rights	For	2.79%
Applied Materials Inc	To request the Board to prepare a report to shareholders on lobbying	For	17.97%
Applied Materials Inc	To request the Board to prepare a report to shareholders on pay equity reporting	For	22.10%

## 2.3.2 REMUNERATION

Votes against remuneration resolutions in 2024 Q1 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 five of the resolutions opposed by the fund.
- **Alignment:** There was an insufficient link between the performance measures used in incentive pay and a company's reported key performance indicators. This was a factor in four of the resolutions opposed by the fund.
- **Individualised Disclosure:** The remuneration of directors had not been disclosed on an individualised basis and reported in aggregate only. This was a factor in four of the resolutions opposed by the fund.
- **Below Median Vesting:** A long-term incentive plan utilised a relative performance condition that allowed for the partial vesting of awards for below-median performance. This was a factor in four of the resolutions opposed by the fund.

All remaining concerns featured in less than four resolutions opposed during the Quarter. These concerns included concerns over the size of the severance provisions available to executive directors, the performance period and/or vesting period for long-term incentives was considered too short, a lack of disclosure on the quantitative targets used in the annual bonus plan and a lack of transparency on the upper individual limit in respect of a long-term incentive plan.

Table 8: Remuneration Votes Against Management

Resolution Category	Total Resolutions	Voted Against Management	% Against Management
Remuneration - Non-executive	4	2	50.00%
Remuneration - Report	4	4	100.00%
Remuneration - Policy (Overall)	1	1	100.00%
Remuneration - Policy (All-employee Share Plans)	1	0	0.00%
Remuneration - Policy (Long-term Incentives)	1	1	100.00%
<b>Total</b>	<b>11</b>	<b>8</b>	<b>72.73%</b>