

1. VOTING VOLUMES

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

MEETINGS

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

Table 1: Meetings Voted

Region	Meeting Type						Total
	AGM	Class	Court	EGM	GM	SGM	
North America	4	0	0	0	0	0	4
Total	4	0	0	0	0	0	4

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.

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 63 resolutions.

Table 2: Resolutions Voted

Region	Meeting Type						Total
	AGM	Class	Court	EGM	GM	SGM	
North America	63	0	0	0	0	0	63
Total	63	0	0	0	0	0	63

MEETINGS BY MONTH

The table below shows that majority of the meetings voted at by Surrey during the Quarter took place in the month of December.

Table 3: Meetings Voted Per Month

Event	October	November	December	Total
AGM	2	1	1	4
Class	0	0	0	0
Court	0	0	0	0
EGM	0	0	0	0
GM	0	0	0	0
SGM	0	0	0	0
Total	2	1	1	4

2. VOTING PATTERNS

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

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 26.98% of the resolutions for which votes were cast during 2023 Q4, which is a higher dissent rate than the proportion of resolutions opposed in the previous quarter (2023 Q3:18.37%, 2023 Q2: 28.98%, Q1: 23.71%, 2022: Q4: 23.73%). Surrey voted on a greater number of resolutions during 2023 Q4 when compared to the previous quarter.

In the Audit & Reporting category, Surrey voted against management on three resolutions. Two 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. Surrey also voted against one resolution to approve the report & accounts due to register concerns over the lack of establishment of a board-level nomination committee.

Board resolutions accounted for 57.14% of all resolutions voted during the Quarter and 23.53% of the total resolutions voted against management. Surrey voted against four management-proposed director candidates due to concerns regarding board composition, including independence and diversity.

In the Capital category, Surrey voted against an authority to issue shares with the dis-application of pre-emption rights due to concerns over the size of the authority and potential dilution to existing shareholders.

Remuneration accounted for 15.87% of all resolution voted on during the Quarter and 17.65% of the total resolutions voted against management. Surrey voted against all three remuneration report approvals voted on during the quarter.

All resolutions in the Sustainability category were shareholder proposed resolutions. Surrey voted in favour of five of the shareholder proposals (62.50%). Surrey also voted in favour of a shareholder proposal in the Political Activity category.

Surrey voted in line with management recommendation on the Shareholder Rights category.

Table 4: Votes Against Management By Resolution Category

Resolution Category	Total Resolutions	Voted Against Management	% Against Management	% All Votes Against Management
Audit & Reporting	4	3	75.00%	17.65%
Board	36	4	11.11%	23.53%
Capital	3	1	33.33%	5.88%
Political Activity	1	1	100.0%	5.88%
Remuneration	10	3	30.00%	17.65%
Shareholder Rights	1	0	0.00%	0.00%
Sustainability	8	5	62.50%	29.41%
Total	63	17	26.98%	100.00%

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 5.25%. Surrey opposed management on 26.98% of resolutions.

Resolutions opposed by Surrey received average general shareholder dissent of 11.90%, a much higher level than the dissent received on resolutions that Surrey supported 2.32%. 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	4	75.00%	6.10%
Board	36	11.11%	3.41%
Capital	3	33.33%	4.25%
Political Activity	1	100.00%	5.31%
Remuneration	10	30.00%	3.65%
Shareholder Rights	1	0.00%	-
Sustainability	8	62.50%	19.74%
Total	63	26.98%	5.25%

Poll data was collected for 93.65% of resolutions voted by Surrey during the Quarter.

2.1.1 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 three resolutions that received shareholder dissent of more than 20%. This compares to no resolutions opposed with high dissent in the previous quarter. The three resolutions that received 20% or more dissent were shareholder proposals filed at Microsoft Corp concerning ESG issues:

- Resolution 10 requested that the Board issue a tax transparency report to shareholders, prepared in consideration of the indicators and guidelines set forth in the Global Reporting Initiative's (GRI) Tax Standard.
- Resolution 11 asked the Board to commission a report assessing the implications of siting Microsoft cloud datacenters in countries of significant human rights concern, and the Company's strategies for mitigating these impacts.
- Resolution 13 requested that the Board issue a report assessing the risks to the Company's operations and finances as well as risks to public welfare presented by the Company's role in facilitating misinformation and disinformation disseminated or generated via artificial intelligence, and plans to remediate those harms, and the effectiveness of such efforts.

During 2023 Q4, no management-proposed resolution was voted down by shareholders and no shareholder proposal was successful. This was also the case in the previous quarter.

RESOLUTION TYPES AND SUB-CATEGORIES

2.1.2 SHAREHOLDER PROPOSED RESOLUTIONS

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.

Nine resolutions voted during this period were proposed by shareholders. In comparison, Surrey did not vote on any shareholder proposal in the previous quarter.

On average, the shareholder proposals received 11.95% votes in favour during the Quarter and no proposal was successful.

Table 6: Shareholder Proposed Resolutions

Company	Shareholder Proposal	Surrey Vote	% For
Microsoft Corp	To request the Board report to shareholders on gender-based compensation	Against	1.00%
Microsoft Corp	To request the Board report to shareholders on risk from omitting ideology in EEO Policy	Against	0.81%
Microsoft Corp	To request the Board report to shareholders on government takedown requests	Against	1.76%
Microsoft Corp	To request the Board report to shareholders on risks of weapons development	For	14.99%
Microsoft Corp	To request the Board report to shareholders on climate risks to retirement plan beneficiaries	For	8.77%
Microsoft Corp	To request the Board report to shareholders on tax transparency	For	21.11%
Microsoft Corp	To request the Board report to shareholders on data operations in human rights hotspots	For	32.94%
Microsoft Corp	To request a mandate for third party political reporting	For	5.31%
Microsoft Corp	To request the Board report to shareholders on AI Misinformation and Disinformation	For	20.88%

2.1.3 REMUNERATION

Votes against remuneration resolutions in 2023 Q4 reflected the principles advocated in Surrey's voting policy.

- **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 three 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 three of the resolutions opposed by the fund.
- **LTIP Vesting:** The performance period and /or vesting was considered too short this was a factor in two of the resolution's opposed by the fund.

All remaining concerns featured in less than two resolutions opposed during the Quarter. These concerns included a lack of clear linkage between the performance measures used in the incentive pay elements and the key performance indicators, and a low Minerva Remuneration Assessment grade.

Table 6: Remuneration Votes Against Management

Resolution Category	Total Resolutions	Voted Against Management	% Against Management
Remuneration other	6	0	0.00%
Remuneration - Report	3	3	100.00%
Remuneration - Policy (All -employee share plan)	1	0	0.00%
Total	10	3	30.00%

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