

## **Review of voting record at TMI - July 2020 to July 2021**

For the 12 months to the end of July 2021 TMI voted on 1,558 shareholder resolutions across our accounts.

In order to exercise our shareholder rights, TMI uses the web-based platform ProxyEdge from Broadridge Financial Solutions. ProxyEdge is an electronic proxy voting system that enables TMI to manage and vote at meetings on securities held by our clients. Voting decisions are made internally.

Over the period, there were a number of resolutions requisitioned by shareholders on some of our holdings and in some instances we voted against management's recommendation.

TMI is a signatory to the UN Principles for Responsible Investment and incorporates their six principles into our voting policy.

At the HSBC AGM shareholders requisitioned a resolution regarding the state pension "clawback" of the former Midland Bank defined benefit pension scheme. The majority of corporates have abolished or capped the clawback amount deducted from former employees receiving a defined benefit pension as beneficiaries who are early retirees or received a lower salary are disproportionately affected. In this case we voted for the resolution and against management's recommendation.

Another one of our equity holdings, pharmaceutical company GlaxoSmithKline, announced plans to acquire the US company Alexion which specialises in orphan drugs to treat rare diseases. It was our belief that the company was overpaying for the acquisition which was not commensurate with the overall risks, hence we voted against this resolution.

Given the increasing concerns over climate change a number of companies in the fossil fuels sector became targets for shareholders putting forward resolutions. For both energy companies BP and Royal Dutch Shell shareholders requisitioned resolutions over climate change in support of the Paris Climate Accords. However, as both companies had already developed their own strategies over climate we decided to abstain from voting on these resolutions.

From our membership with the UN Principles for Responsible Investment via the collaboration platform we became signatories to a letter addressed to French energy company TotalEnergies (formerly Total). Following the military coup in Myanmar where the company has a longstanding partnership with the state-owned Myanmar Oil and Gas Enterprise, the letter addressed concerns over human rights and anti-democratic conduct encouraging the company to act as a good corporate citizen, encouraging transparency and to disclose its dealings in the country.