



2022 Q2 - Quarterly Proxy Voting Report

14 July 2022

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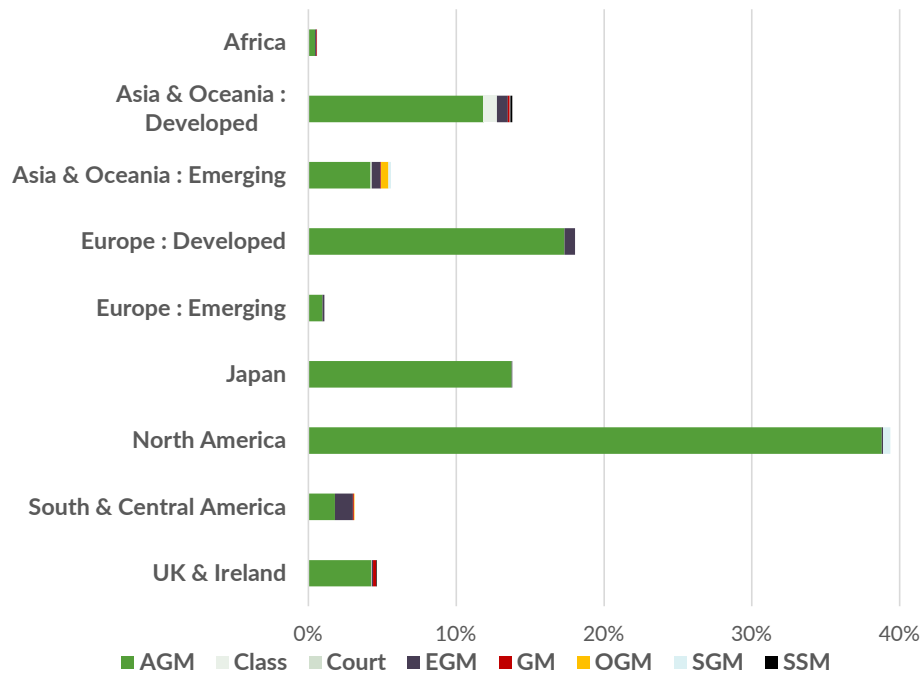
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- Pensioenfonds Vliegend Personeel KLM has developed and implemented policies and procedures to ensure that its fiduciary obligation to vote proxies in the best interest of its clients is fulfilled.
- We actively exercise our rights as an owner of shares to promote responsible and sustainable practices in investee companies.
- We report on our Proxy Voting activities on a quarterly basis in keeping our commitments to our clients as well as the market reporting expectations.
- We have developed a Proxy Voting Policy, setting out our expectations for good corporate governance in the companies in which we invest. The policy has been developed based on global best practice guidelines such as the [ICGN Global Corporate Governance Principles](#) of Corporate Governance, the [G20/OECD Principles of Corporate Governance](#), the [UN Guiding Principles on Business and Human Rights](#) and the [UN Sustainable Development Goals \(SDGs\)](#).
- All data comes from [Minerva Analytics](#), our Proxy Voting service provider.

Vote Summary by Region

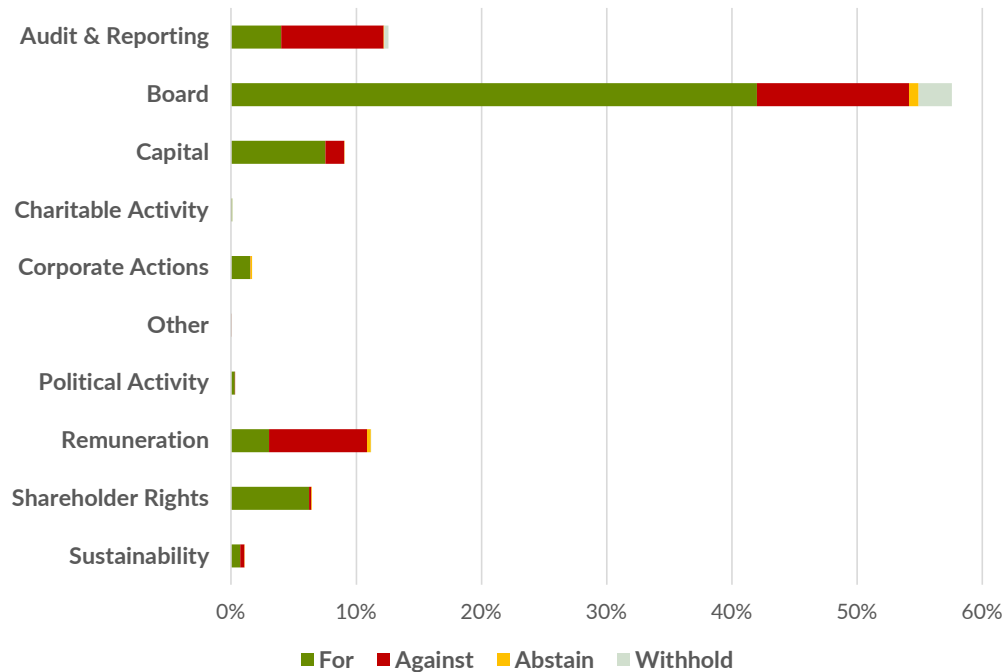
Vote Summary – 2022 Q2



Region	Event Type								Total
	AGM	Class	Court	EGM	GM	OGM	SGM	SSM	
Africa	10	0	0	2	1	0	0	0	13
Asia & Oceania : Developed	263	20	0	16	3	0	1	3	306
Asia & Oceania : Emerging	93	0	2	13	1	11	4	0	124
Europe : Developed	384	0	0	16	0	0	0	0	400
Europe : Emerging	21	0	0	3	0	0	0	0	24
Japan	305	0	0	1	0	0	0	0	306
North America	860	0	0	2	0	0	11	0	873
South & Central America	40	0	0	27	1	1	0	0	69
UK & Ireland	94	0	1	2	5	0	0	1	103
Total	2,070	20	3	82	11	12	16	4	2,218

Vote Summary by Resolution Category

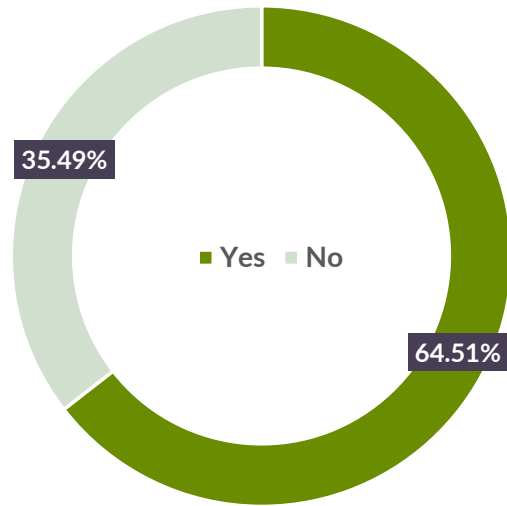
Vote Summary – 2022 Q2



Resolution Category	Votes				Total
	For	Against	Abstain	Withheld	
Audit & Reporting	1,154	2,363	13	94	3,624
Board	12,120	3,505	218	768	16,611
Capital	2,169	441	2	0	2,612
Charitable Activity	28	0	0	0	28
Corporate Actions	439	7	34	0	480
Other	6	4	0	0	10
Political Activity	85	8	0	0	93
Remuneration	877	2,253	87	1	3,218
Shareholder Rights	1,795	56	14	0	1,865
Sustainability	206	96	13	0	315
Total	18,879	8,733	381	863	28,856

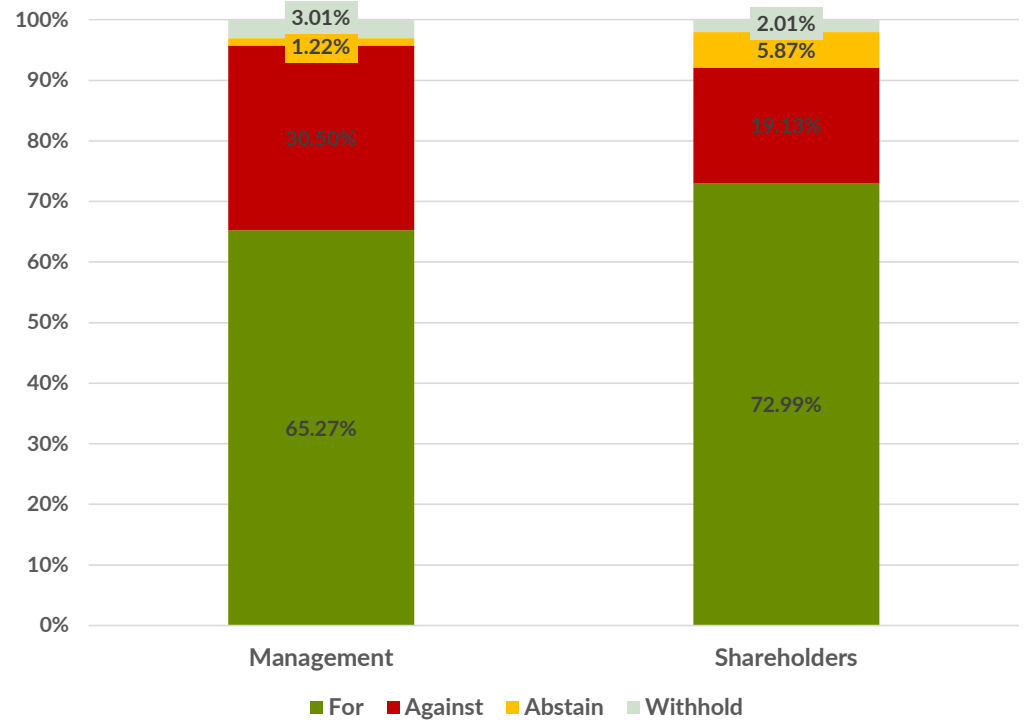
- During the second quarter of 2022, we voted on 2,218 events and 28,856 resolutions.

Management Recommendation Followed



Votes in line with Management Recommendation	18,615
Votes NOT in line with Management Recommendation	10,241

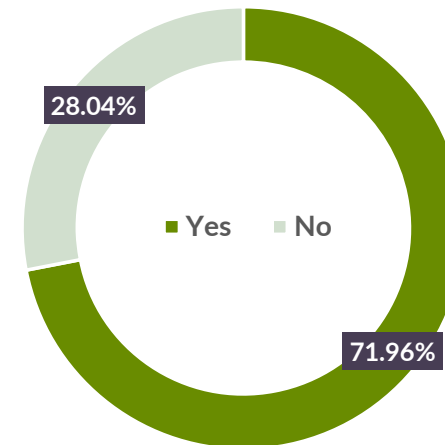
Summary Votes by Proposer



- We use the Sustainable Development Goals (SDGs) to identify Environmental, Social and Governance risks and opportunities. We have identified the below five SDGs themes as priorities.



SDGs Referenced

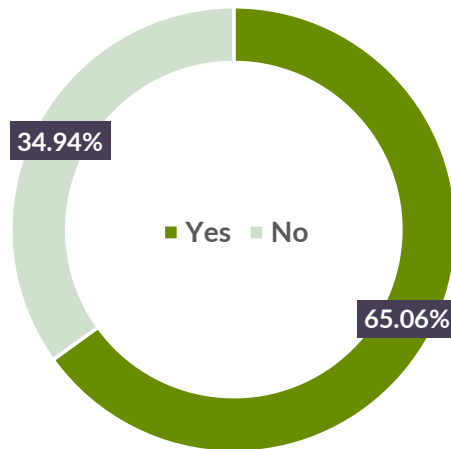


- As part of the Data collection and Research process, Minerva identifies those companies that have referenced the SDGs in their disclosures. In the second quarter of 2022, 71.96% of the companies that held events that we voted on have a material reference to the SDGs.



- We expect companies to have a strategy for reducing carbon emission, to be clear about targets set and to report on the progress achieved.
- Generally, we support proposals that enhance disclosure and provide shareholders with a better view of the company’s practices. To this end, we support the adoption of globally recognised reporting frameworks such as [Task force on Climate related Financial Disclosures \(“TCFD”\)](#).

TCFD Referenced



▪ Minerva has identified that approximately 65.00% of the Companies we voted on between 1 Apr 2022 and 30 Jun 2022 have made specific reference to the TCFD framework and alignment with the disclosure pillars.



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Company	Sector	Incorporated	Event: AGM	Resolution	Proposed by
Woodside Energy Group Ltd	Energy	Australia	19 May 2022	9 – advisory resolution for adoption of the Climate Report 2021	Management

The principal activities & operations of Woodside Energy Group Ltd are hydrocarbon exploration, evaluation, development, production & marketing. Woodside is Australia’s largest independent dedicated oil and gas company.

At Woodside’s AGM, the Board put forward the Company’s 2021 Climate Report for shareholder approval on an advisory basis. The report summarised Woodside’s climate-related plans, activities, progress and climate-related data for the reporting year.

The resolution narrowly passed receiving 50.32% votes in favour; the lowest level of shareholder support received on a management-proposed say on climate resolution in the 2022 AGM season.

Notably, a shareholder-proposed resolution asking the Woodside Board to set Paris-aligned Scope 1, 2 and 3 targets in 2020 received 49.42% support. This year’s voting result indicates shareholders considered the Company had not adequately responded to this request.

In response to the vote, the Board commented that it stands by the quality of both the Climate Report and Woodside’s overall climate strategy, and is confident of its ongoing role to responsibly provide customers with the energy they need in a lower-carbon world. The Board further stated it will continue incorporating feedback from shareholders on this issue as it further develops and evolves Woodside’s climate strategy.

We voted against the Climate Report as we had concerns regarding Woodside’s alignment with the goals of the Paris Climate Agreement. In particular, we had concerns regarding the lack of quantitative Scope 3 emission reduction targets, the strength of Woodside’s Scope 1 & 2 targets and the use of carbon offsets in the climate transition plan. Overall, we felt Woodside’s climate ambitions fell behind global peers.

Climate change has continued to be a key issue for shareholders in the 2022 AGM season with several companies putting forward a resolution on climate reporting and strategy for approval and shareholders filing resolutions on the topic.

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Company	Sector	Incorporated	Event: AGM	Resolution	Proposed by
JPMorgan Chase & Co	Financials	United States of America	17 May 2022	1e - To re-elect as a director, James Dimon	Management
				2 - To approve an advisory vote on the remuneration of the Company's named executive officers	Management
				6 - To amend the Bylaws so as to require that the Chairman of the Board shall be an independent director	Shareholders

JPMorgan Chase & Co is engaged in investment banking and the provision of various financial services.

At JPMorgan's AGM, the advisory vote on the approval of executive compensation was defeated, with 68.48% of the shareholder ballot withholding support. We had concerns with the remuneration committee's decision to grant special awards during the year and therefore voted against the resolution.

JPMorgan granted a special award of 1,500,000 stock options to Chairman and CEO James Dimon worth USD\$56.2m. The options have ten-year terms, will become exercisable no earlier than July 20, 2026, or five years after the grant date, and are subject to continued employment, protection-based vesting, clawback and recovery provisions.

As a result of the grant, the Company reported Mr. Dimon's remuneration package for the year increased from USD\$31.7m to USD\$84.4m in 2021.

The Board stated it granted the award as part of the firm's long-term executive retention and succession planning and reflected its desire for him to continue to lead the bank for a further significant number of years.

We voted against the resolution as we are unsupportive of the grant of special one-off awards as we believe effective remuneration planning should make exceptional awards unnecessary, indicates poor planning by the remuneration committee and can undermine the existing incentive plan arrangements.

Additionally, we believe there should be a clear division of responsibilities between the role of the chair of the board and the CEO to avoid unfettered powers of decision-making in any one individual. In support of this good governance principle, we voted against the re-election of combined CEO and Chairman Mr. Dimon and also voted in favour of a shareholder proposal asking the Board adopt a policy requiring the Chairman be an independent director.

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Company	Sector	Incorporated	Event: AGM	Resolution	Proposed by
Home Depot Inc	Consumer Discretionary	United States of America	19 May 2022	10 - To request that the Board oversee a third-party racial equity audit	Shareholders
Johnson & Johnson Inc	Health Care	United States of America	28 Apr 2022	7 - To request that the Board oversee a third-party racial equity audit	Shareholders
McDonald's Corp	Consumer Discretionary	United States of America	26 May 2022	8 - To request that the Board oversee a third-party civil rights audit	Shareholders
Waste Management Inc	Utilities	United States of America	10 May 2022	4 - To request that the Board oversee a third-party civil rights audit	Shareholders

The principal activity of Home Depot Inc is the retailing of construction and home improvement products.

Johnson & Johnson Inc is engaged in the manufacture of pharmaceuticals, medical devices and consumer packaged goods.

McDonald's Corp franchises and operates restaurants.

Waste Management Inc is a provider of waste management and environmental services.

In June 2020, following the high-profile murder of George Floyd and a wave of protests, numerous companies made public statements and committed billions of dollars to promoting racial equity and economic justice. At the same time, companies have faced pressure from shareholders to undertake independent

racial-equity or civil-rights audits to consider how their policies, products and practices affect the civil rights and equality among employees, customers and society. This has resulted in an increasing number of resolutions filed by shareholders asking companies to commission third-party audits. These proposals have started to receive successful voting outcomes.

Shareholder proposals requesting a third-party audit at Home Depot, Johnson & Johnson, McDonald's and Waste Management all received over 50% shareholder support. We voted in favour of the resolutions as we considered shareholders and the companies would benefit from an independent objective review on the effectiveness of the companies' policies and practices in advancing diversity, equity, and inclusion.

Glossary

■ Meeting Types

- **AGM** - Annual General Meeting: meeting normally required by law taking place on an annual basis.
- **Class** - Class Meeting: shareholders holding a class of share are required to make a decision binding on the company.
- **Court** - Court meeting: shareholders can either order an annual meeting or a special meeting.
- **EGM** - Extraordinary General Meeting: meeting is required to conduct business of an urgent or extra-ordinary nature. Such business may require a special quorum or approval level.
- **GM** - General Meeting: term often used interchangeably with the term EGM,OGM, SGM, depending on the term used by the company in question.
- **OGM** - Ordinary General Meeting: term often used interchangeably with the term EGM,GM, SGM, depending on the term used by the company in question.
- **SGM** - Special General Meeting: term often used interchangeably with the term EGM,GM, OGM, depending on the term used

■ Vote Types

- **Abstain** - Shareholder's vote not in favour or against the proposed resolution, but shareholder demonstrates lack of confidence towards the rationale behind the resolution.
- **Against** - Shareholder's vote against the resolution proposed.
- **For** - Shareholder's vote in favour of the resolution proposed.
- **Withhold** - For North America auditor and director election resolutions, shareholder vote not in favour of the resolution proposed.

DISCLAIMER

■ About Minerva

Minerva helps investors and other stakeholders to overcome data disclosure complexity with robust, objective research and voting policy tools. Users can quickly and easily identify departures from good practice based on their own individual preferences, local market requirements or apply a universal good practice standard across all markets.

For more information please email hello@minerva.info or call + 44 (0)1376 503500

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