



Second Quarter 2022 Proxy Voting

Our voting decisions are informed by our bottom-up analysis, as well as best practice corporate governance principles. We believe that proxy voting is a key component of being an active owner and are committed to consistently exercising our voting rights. This quarter, we voted in 15 shareholder meetings covering 243 management proposals.

Q2 2022

Country	Number of meetings	Number of meetings voted	Total number of resolutions voted
Bermuda	1	1	13
France	1	1	22
Germany	3	3	34
Japan	2	2	27
Singapore	1	1	18
Switzerland	4	4	101
United States	3	3	28

Total **15** **15** **243**

We believe that proxy voting can be an important tool for signaling what practices we believe are aligned with strong ESG performance and those that are not. This quarter we voted against four proposals.

The first proposal concerned executive remuneration. While we recognise that the impacts of the COVID-19 pandemic are ongoing, we disagree with proposals that exercise discretion to reward executives despite them missing prescribed performance thresholds. Similarly, we disagree with proposals that disregard board financial accountability by failing to set concrete targets in times of uncertainty. We believe that to reward executives in these instances undermines the premise of an award-based incentive. Equally, it reduces executive accountability to mitigate risk through disaster planning and adapt to unforeseen circumstances.

The second proposal concerned compensation structure. The company in question has no long-term incentive plan, does not specify any share-based payment and does not require members to hold shares. Although the company has high insider ownership, we believe that executive compensation should be tied to long-term value creation. We believe that this not only increases board accountability but further cements shareholder alignment.

The final two proposals were both related to a lack of compensation transparency, namely the target performance of the executive compensation schemes. At SilverCross, we value transparency and encourage our portfolio companies to deepen their disclosure on material issues.

(continued)

Management Resolutions

Country	Number of management resolutions	Number of management resolutions voted for	Number of management resolutions voted against	Number of management resolutions voted abstained
Bermuda	13	12	1	0
France	22	22	0	0
Germany	34	31	3	0
Japan	27	27	0	0
Singapore	18	18	0	0
Switzerland	101	99	2	0
United States	28	28	0	0
Total	243	237	6	0

Shareholder Resolutions

Country	Number of shareholder resolutions	Number of shareholder resolutions voted for	Number of shareholder resolutions voted against	Number of shareholder resolutions voted abstained
Bermuda	0	0	0	0
France	0	0	0	0
Germany	0	0	0	0
Japan	0	0	0	0
Singapore	0	0	0	0
Switzerland	0	0	0	0
United States	0	0	0	0
Total	0	0	0	0

Alignment with Management

