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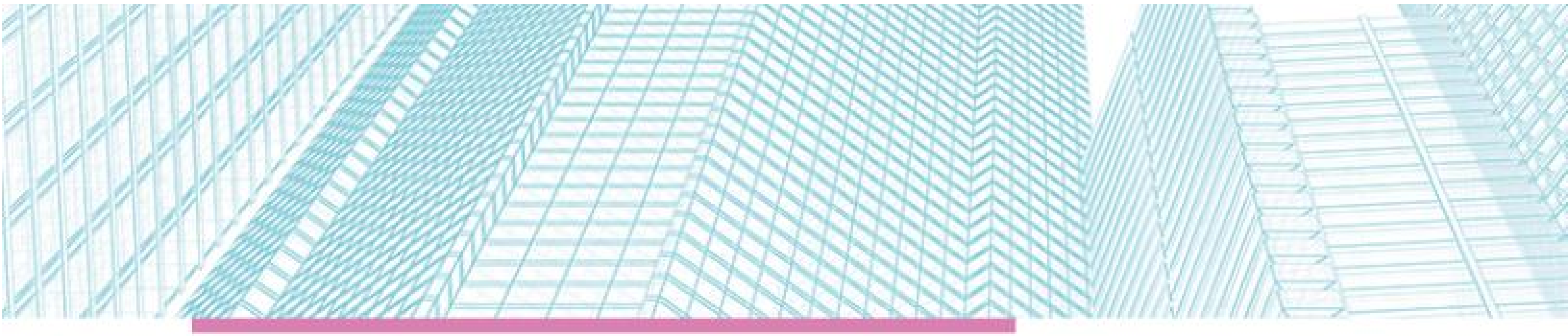

Proxy Voting Report

Period: January 01, 2021 - March 31, 2021

Votes Cast	**2438**	**Number of meetings**	**188**
For	2209	With management	2188
Withhold	6	Against management	250
Abstain	28		
Against	193		
Other	2		
Total	**2438**	**Total**	**2438**

In 114 (61%) out of 188 meetings we have cast one or more votes against management recommendation.

General Highlights

The importance of proxy voting
Proxy voting is a fundamental part of corporate governance. The so-called shareholder democracy, where investors have the power with their vote to influence corporate decisions or hold management to account, is of growing importance.

Throughout the years, we see significant changes in how shareholders' voting rights are exercised, and the impact this has. Over the last year and due to the Covid-19 pandemic, we saw voting mostly taking place digitally, and only few shareholders attending annual shareholder meetings in person. Still, investors managed to raise their concerns and achieve impact. That strengthens our view on the importance of proxy voting, and the difference it makes to companies' operations and decisions.

Another aspect that shows the importance of voting, is the increasing number of retail investors. Based on SEC figures, it is estimated that in 2020, approximately 47% of the households in the US owned shares in companies directly or through funds. Those retail investors entrusted their wealth, and subsequently their shareholder voting rights, to fund managers, making their proxy voting practices particularly impactful. Additionally, according to a Morningstar survey, more and more retail investors are interested in investing in sustainability-themed funds and are willing to show their sustainability beliefs when voting at companies' AGMs. This trend is expected to increase as more and more millennials are joining the pool of retail investors.

Over the last few years, there have been an increasing number of shareholder resolutions focusing on climate change and promoting social equity and justice. This has made it clear that shareholders are shifting their focus from short-term gains, to more long-term benefits, and this is translated in their proxy voting decisions as well. Companies recognize the pressure they are under and are beginning to act accordingly. The final element that we believe makes proxy voting critical, is that it is part of the fiduciary duty of the manager to the ultimate beneficiaries. At the same time, shareholders have a duty towards society, in the sense that the companies they own ought to have an ethical and social behavior as a norm. This is the essence of what makes proxy voting an important link in the investing chain, and a key component of stewardship: exercising our rights as shareholders gives us the opportunity to have a say on matters that transcend traditional corporate governance matters, as we seek to encourage progress on sustainability in the belief that this contributes to long-term value creation.

Boards under scrutiny in wake of pandemic
For the 2021 voting season, shareholders, regulators, and other stakeholders have expanding expectations for board action in the wake of the pandemic. Boards of directors are being prompted to address financial and social pressures, a reimagined workplace, evolving regulatory demands and increased scrutiny on environmental, social and governance (ESG) activities.

Although the frequency and subject matter of shareholder proposals vary significantly across markets, one new climate-focused proposal gaining significant traction this proxy season is the 'Say on Climate' advisory vote. Proposals requesting a 'Say on Climate' vote demand that a company provide shareholders with the opportunity to approve of the company's climate policies and strategies on a consultative basis, like 'Say on Pay' proposals do for executive remuneration. More specifically, this new proposal requests that companies annually report emissions data and reduction strategies in a manner consistent with the Task Force on Climate-related Financial Disclosures' (TCFD) framework. Failing a 'Say on Climate' proposal could also trigger votes against the nomination of responsible directors if insufficient actions have been taken to address shareholders' climate related concerns.

On another note, expectations around board oversight of human capital management (HCM) and corporate culture are projected to increase. The economic impact of the pandemic and social justice movements in many regions have sparked demand for disclosure of more HCM data such as gender pay gaps, safety incidents and employee turnover. Moreover, boards, especially at companies with large numbers of at-risk or furloughed employees, will also be expected to disclose how the pandemic's impact across their workforces was considered in reconfiguring pay for senior executives.

Lastly, many companies around the world are expected to continue to hold virtual-only meetings for at least the first half of 2021. Last voting season, shareholders expressed significant concerns regarding the inability to ask questions or to vote at virtual meetings. While several solutions have been provided by some participants in the proxy voting chain to facilitate access to meetings, companies will likely be more scrutinized for their handling of online meetings. Especially if companies experience technical mishaps or hold audio-only meetings with limited opportunities for shareholders' questions and dialogue.

Voting Highlights

Walgreens Boots Alliance Inc - 01/28/2021 - United States
Proposal: Advisory Vote on Executive Compensation, Shareholder Proposal Regarding Health Risks of Tobacco Sales During COVID-19

Walgreens Boots Alliance, Inc. operates as a pharmacy-led health and beauty retail company. It operates through three segments: Retail Pharmacy USA, Retail Pharmacy International, and Pharmaceutical Wholesale.

The AGM of Walgreens Boots Alliance, Inc. (WBA) is an insightful example of how the Covid-19 pandemic has impacted various proposals. Specifically, Covid-19 was a prominent element in both the annual Say on Pay vote as well as a shareholder proposal relating to the company's sale of tobacco.

WBA stated that "It would have been unfair and unwise to penalize the leadership team and other recipients of performance shares as a result of events relating to the COVID-19 pandemic that were out of their control" in its additional proxy soliciting materials. These words were supposed to justify the company's excessive use of discretion on this year's executive payouts. Due to the Covid-19 pandemic, the company did not reach its predefined targets for its short- and long-term incentive plans. The remuneration committee decided that the resulting small payout would not be justified and modified targets for all performance related pay elements to align payouts to projected outcomes based on pre-Covid performance. We believe this use of discretion negated the pay- for- performance principle these remuneration elements are aiming to capture. Additionally, we do believe that the resulting pay outcomes are in line with the experience of its broader workforce and shareholders. During the past fiscal year, the company let go of 4000 employees and total shareholder return was negative. Therefore, we voted against this proposal. Overall, the proposal received only 47% approval, indicating severe shareholder discontent.

The impact of Covid-19 was also used by proponents of a shareholder proposal to raise the issue of health risks of tobacco sales during the pandemic. The proposal asked the board to issue a report assessing how the increased health risks of severe Covid-19 infections to customers that smoke impact the company's evaluation of risks associated with selling tobacco products. We believe sales of tobacco might pose a reputational risk in the long term and the pandemic only further emphasizes the increased health risks that come from tobacco usage. We therefore think a re-evaluation of risks associated with selling tobacco products is in the best interest of shareholders and supported the proposal. The proposal received 11% support at the AGM.

Apple Inc - 02/23/2021 - United States
Proposal: Advisory Vote on Executive Compensation and Shareholder Proposal Regarding Improvements in Executive Compensation Program.

Apple Inc. is a U.S. multinational technology company, that designs, manufactures, and markets consumer electronics, computer software, and online services

At Apple's annual shareholder meeting, we voted against the advisory vote on executive compensation, and we supported the shareholder proposal regarding improvements to the executive compensation program. Though we see positive developments in the extension of the clawback policy, and the introduction of an ESG modifier to the short-term incentive (STI) plan, we are concerned by the high quantum of total compensation for all named executive officers (NEOs).

We were concerned by the fact that the combined total compensation to the top 5 NEOs reached approximately USD 120 million in 2020, which was substantially higher (around 13%) in comparison to the previous year. The high compensation levels were merely justified by the record earnings the company had during the last year (a 5.5% increase compared to 2019). In addition, the company reported net income of $57.4 billion, a nearly 4% increase compared to the year before. Nevertheless, we were disturbed that the compensation levels of the non-CEO executives are comparable to the pay packages given to CEOs in the company's peers.

The addition of the ESG modifier, which can increase or decrease the cash bonus by 10%, comes a year after the submitted shareholder proposal regarding linking executive pay to sustainability metrics. The relevant proposal was supported by almost 12% of the company's shareholders. According to Apple, the outcome of the modifier will be determined by the Compensation Committee and will consider the company's values and key community initiatives. Though we see this as a positive change, we seek more clarity when it comes to integrating sustainability in the compensation design. The plan should specifically explain how the progress will be evaluated, to avoid rewarding additionally for mainly the same targets as other elements of the plan or paying out for basic expected behavior.

Further, CEO's total pay, showed a steep increase (nearly 28% increase), earning 256 times more to the company's median employee salary (the pay ratio in 2019 was 200:1). The aforementioned, is adding up to the general remark that the executive compensation level in US is increasing disproportionately to the average employee pay, and that is concerning to us.

Considering all the above, we also decided to support the shareholder proposal regarding improvements in Executive Compensation Program, and more specifically to include NEOs pay ratios and other ethical, social, and economic factors. In this way, we encourage the company to provide extra transparency and disclosure on the compensation design practices and bring further improvements that would ensure appropriate total pay levels for executives.

Kone Corp. - 03/02/2021 - Finland
Proposal: Remuneration Report and Election of directors

Kone Oyj, together with its subsidiaries, engages in the elevator and escalator business worldwide. It offers elevators, escalators, auto walks, and automatic building doors.

At this year's Kone Oyi AGM we voted against the remuneration report. This vote followed last year's vote against the proposed remuneration policy. Unfortunately, the company did not propose any changes to the policy this year and therefore did not provide a vote on the policy during the meeting. This year's remuneration report did not ease our previous concerns around the policy as the report was not transparent. Specifically, the company did not disclose specific performance targets for the short- and long-term incentive plans. Rather, the company discloses the metrics used but not the relative weights nor targets. This makes it difficult to accurately assess whether the company has sufficiently applied the pay- for-performance principle when determining executive pay. Additionally, the company has not disclosed the use of relative metrics or the use of benchmarking when setting pay levels. The lack of comparison to peers furthers our concern that pay might outpace performance.

Furthermore, we voted against the slate election of directors. The company does not have an independent Chair, nor an independent lead director lagging international best practice. The current Chair of the board is the former CEO and has served on the board for thirty years. Besides his role as Chair of the board we are also concerned that he serves on the audit committee as well as chairing the remuneration and nomination committee respectively. We would expect the Chairs and at least the majority of these committees to be independent from the company. The audit committee currently only had one third independence.

Overall, we are disappointed to see the company is lagging best practice both in remuneration and board composition.

Toshiba Corporation - 03/18/2021 - Japan
Proposal: Shareholder proposals on governance
Toshiba Corporation manufactures and markets electrical and electronic products. The Company's products include digital products such as PCs and televisions, NAND flash memories, and system LSIs (large-scale integrated), as well as social infrastructures such as power generators, medical equipment, and home appliances.

We supported two shareholder resolutions at Toshiba's recent EGM, both of which were put forth by large activist shareholders, Effissimo and Farallon capital management.

At Toshiba's 2020 annual shareholder meeting, Effissimo tried to have its co-founder Yoichiro Imai nominated to Toshiba's board, along with other directors. When that proposal was rejected and management's own slate of directors were appointed instead, it was viewed as a setback for shareholders who sought more influence at the conglomerate after years of accounting scandals. However, suspicion soon arose around the actual processing of ballots and how votes were counted. One shareholder with a 1.3% stake reported that its votes weren't counted, despite being mailed several days before the deadline.

Effissimo contends that the internal investigation by Toshiba's Audit Committee of the 2020 AGM was inadequate and inherently compromised because committee members were investigating allegations of misconduct directly connected with their own election as directors. Shareholders therefore deserve a credible independent confirmation that the integrity of their voting rights were upheld, which is why Effissimo proposed to elect a special investigative committee at the 2021 shareholder meeting. The committee will serve for a period of three months and their compensation has already been determined. This alleviates any potential concerns around maintaining the independence of this committee's investigation.

On another note, Farallon's shareholder proposal asks the company to put forth and explain their capital management policy and report on their adherence to it. The proponent argued that the company failed to meet previous commitments to disclose how it would use its funds and expressed concern about management's plans to deploy its capital for M&A. Given that this request provides more insights into the company's previously questioned capital management and is not overly prescriptive, we supported this proposal.

Ultimately, only the Effissimo proposal was passed by shareholders, which is only the fourth time an activist shareholder proposal has won approval in Japan and the first at a major company. This outcome signals the rise of corporate accountability in Japan and demonstrates the role of shareholders in upholding corporate governance best practices.

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