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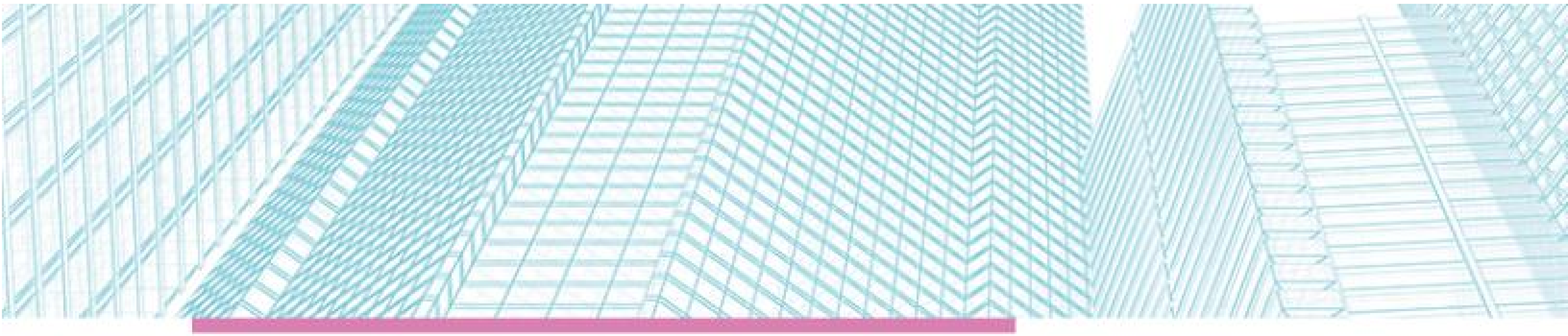

Proxy Voting Report

Period: January 01, 2023 - March 31, 2023

Votes Cast	2141	Number of meetings	192
For	1875	With management	1881
Withhold	11	Against management	260
Abstain	0		
Against	235		
Other	20		
Total	**2141**	**Total**	**2141**

In 120 (63%) out of 192 meetings we have cast one or more votes against management recommendation.

General Highlights

Board quality in focus

Recent years have dramatically altered the corporate governance landscape as public company directors faced unique challenges including the COVID-19 pandemic, Russia's invasion of Ukraine, soaring energy prices, and a cost-of-living crisis. This shift placed a renewed focus on board quality, as both investors and regulators directed significant scrutiny towards the directors' efforts to navigate these turbulent times. Against this backdrop, regulators rolled out several initiatives aimed at strengthening board composition and director accountability.

In the US, proxy fights entered a new era of universal proxy cards. The new rules adopted by the Securities and Exchange Commission enable shareholders voting remotely in contested elections to vote for a combination of candidates from the competing slates put forward by the dissident shareholder and the incumbent board, as they could if voting in person. The ability of shareholders voting by proxy to cherry-pick candidates will overhaul the mechanisms by which proxy fights were carried out in the US thus far, rendering individual board members more susceptible to removal and placing them under increased scrutiny.

On the other side of the Atlantic, the collapse of financial service provider Wirecard prompted Germany to adopt the Act on Strengthening the Financial Market Integrity, which sets stricter requirements for the governance of listed firms. Most notably, it requires that audit committees comprise two financial experts, one with expertise in accounting and one with expertise in auditing. Furthermore, the new rules also provide that management board members may attend meetings between the auditor and the supervisory board or its committees only if their attendance is deemed essential.

In the UK, we see a continued push for more robust board diversity. In April 2022, the country's Financial Conduct Authority released new rules "to boost disclosure of diversity on listed company boards". These rules require companies to annually disclose whether they meet a set of three specified targets on a "comply or explain" basis. In line with the new provisions, women should make up at least 40% of the board and should hold at least one of the senior board positions, while at least one member of the board should come from an ethnic minority background.

At the same time, Asian markets are witnessing a trend of increased focus on board quality as well. Recently, in January 2023, the Monetary Authority of Singapore amended the country's corporate governance code to limit the tenure of independent directors to nine years. Before this change, directors could continue to be deemed independent after having served on the board for nine years if their appointment was approved via a two-tier vote from all shareholders, as well as from all shareholders excluding the company's directors, CEO and their associates. The regulator noted that the two-tier vote mechanism had been heavily used to retain long-serving independent directors, "inhibiting board renewal and progress on board diversity."

Market Highlights

Corporate governance reform in the US

Investors are increasingly looking beyond balance sheets to understand a company's 'double materiality' impact on the wider world. To reinforce this, regulators around the globe including the US Securities and Exchange Commission (SEC) are tightening their requirements for disclosure on corporate environmental, social and governance (ESG) issues.

While the focus on ESG has massively gained in importance, there is broad consensus that there are still shortcomings in the quality, consistency and comparability of issuers' ESG reporting, and investors often lack the appropriate tools to voice their concerns regarding a company's ESG performance. Against this backdrop, 2022 saw SEC adopt a host of new rules which will improve the quality of US companies' disclosure and enhance a board's accountability to shareholders. In this article, we look back at five of the most relevant regulatory initiatives rolled out in the US in 2022.

1. Universal proxy cards: A new era of proxy fights

One of the major changes introduced was the SEC's adoption of new rules requiring the use of 'universal proxy cards' (UPCs) for any meetings involving contested elections. These rules mark a major development in overhauling the mechanisms by which US proxy contests have been carried.

Previously, shareholders voting by proxy were unable to 'mix and match' nominees put forward by the incumbent board and the dissident shareholder, as they could if they were voting in person. They were therefore faced with a binary choice – to vote for one slate or the other, opting for no change or sweeping change. Now they will be provided with a slate including the names of all dissident and registrant nominees, thereby being able to choose nominees from either side.

An equal footing

We welcome this change. First, it places investors voting in person or by proxy on an equal footing. Second, the new rules strengthen the means by which shareholders can hold companies accountable for poor governance. While there has been no shortage of speculation regarding the potential consequences of UPCs, one thing is certain: individual board candidates will be more vulnerable to replacement, and will therefore face more scrutiny from shareholders and other stakeholders.

In light of this, a major advantage of the new rules is that they will likely force companies to bolster their disclosure on board composition, refreshment, and the process for director nominations, as well as making them carry out an effective evaluation of the board to withstand this growing scrutiny.

2. Revamp of the shareholder proposal rule

In a separate initiative, the SEC proposed changes to the process by which shareholder proposals are included in a company's proxy statement. Under rule 14a-8, a company may omit a shareholder proposal from its proxy statement if it falls within one of 13 substantive bases for exclusion.

The proposed amendments would revise three of these criteria – 'substantial implementation', 'duplication' and 'resubmission' – in an effort to "improve the shareholder proposal process and promote consistency".

In recent years, the existing rules drew criticism over concerns that the standards for exclusion were not being consistently implemented, thereby leading to unpredictable outcomes. The amendments, if adopted as proposed, would address these concerns by ensuring a clearer framework for the rule's application.

Important means of engagement

We support the changes and stated our position by taking part in the SEC's public consultation on the issue. We view the shareholder proposal process as being one of the most important means of engagement between companies and shareholders, and believe that an effective process is crucial in ensuring that a variety of ESG issues reach ballots, with the aim of instilling corporate governance reform.

It is worth noting that the shareholder proposal process is currently under scrutiny in various jurisdictions across the world. In Germany, a lawsuit filed in 2022 against a car manufacturer will test whether a German company has the right to refuse to table a shareholder proposal. In Australia, the inability of shareholders to propose an advisory resolution or a shareholder vote to express an opinion unless permitted by the company's constitution continues to draw significant criticism. Against this backdrop, the US model is widely perceived as striking a balance between protecting issuers from being swamped by frivolous proposals, and in facilitating shareholder suffrage.

3. Link between pay and performance

In 2022, the SEC introduced the most substantial change to US executive compensation rules since 2006 – the adoption of the Pay Versus Performance Disclosure Requirements. The new rules require registrants to clearly illustrate the relationship between executive compensation and the financial performance of the company by providing certain disclosures in a tabular format, accompanied by narrative and/or graphical disclosure.

This information will supplement the compensation discussion and analysis disclosures and must include a new measure: the 'executive compensation actually paid'. This figure must be calculated based on a prescribed formula and represents total compensation as reported in the summary compensation table, but adjusted to reflect changes in the value of stock awards and pension benefits.

Having appropriate remuneration

Both in our engagement and voting, we place great emphasis on whether companies have an appropriate remuneration program for executives. This is because we believe that a company's executive remuneration policy is one of the main instruments with which to guide, evaluate and reward the behavior and achievements of executives.

Hence, we welcome the new rules, as these will aid investors in their evaluation of companies' remuneration policies and practices. In addition, the new disclosure requirements will likely incentivize issuers to re-evaluate and strengthen the link between executive pay and performance.

4. The long-awaited clawback rule

The SEC's adoption of new rules implementing the clawback provisions of the Dodd-Frank Act was another noteworthy improvement. The rules direct national securities exchanges to adopt listing standards requiring issuers to adopt and apply a written clawback policy and to meet related reporting obligations.

The clawback policy must provide for the recoupment, upon either a 'big R' or a 'little r' accounting restatement, of incentive-based compensation received by current or former executive officers, based on erroneously reported financial information. The policy must apply irrespective of whether the executive engaged in misconduct or not, with the rules requiring that registrants provide detailed disclosure regarding actions to recover erroneously awarded compensation.

Enhancing transparency

We support the new rules as they will strengthen a board’s accountability to shareholders and enhance the transparency of companies’ disclosure. Notably however, some argue that companies may resort to increasing the ratio of fixed, time-based or discretionary pay, so as to shield executives from the prospect of recoupment, given that the new rules solely cover compensation tied to the achievement of a financial reporting measure.

We are strong proponents of pay-for-performance and consider that a significant portion of the executives' pay should be linked to the achievement of relevant objectives that are aligned with the firm's long-term strategy. Hence, we will oppose any changes which we assess would weaken the alignment between pay and performance.

5. Climate disclosure amidst ESG backlash

Finally, in 2022, the SEC proposed new climate-related disclosure requirements for registrants in an effort to “provide investors with consistent, comparable, and decision-useful information for making their investment decisions, and (...) provide consistent and clear reporting obligations for issuers.”

Under the new rules, companies would be required to provide disclosure on, inter alia, the governance of climate-related risks, Scope 1 and 2 greenhouse gas emissions, and Scope 3 emissions if these are material. They also apply if the registrant has set an emissions reduction target that includes Scope 3, as well as various other qualitative and quantitative climate risk disclosures.

We expressed our support for the proposed rules in our response to the SEC consultation and consider that the new requirements will provide investors with climate-related information that is essential for appropriately pricing climate risks.

A driver of change

Moreover, we view the proposed requirements as more than just a call for greater disclosure, but as a driver of change. The new rules, if adopted as proposed, will force companies to review their policies and practices with regards to climate risk, and to evaluate whether their board members display sufficient climate-related expertise.

While the climate rule faces notable resistance given the growing US debate over sustainable investing and what critics refer to as ‘woke capitalism’, we strongly believe that the adoption of the rules will benefit investors and issuers alike.

The new regulations will require companies to step up their efforts by enhancing their disclosure, policies and practices. Achieving compliance should not be viewed as merely a box-ticking exercise. Instead, companies should ensure that they take a structured and systematic approach to addressing ESG issues material to their business.

Voting Highlights

Metro Inc - 01/24/2023 - Canada
Proposals: Shareholder Proposals regarding the Adoption of Emission Reduction Targets in line with Paris and a Human Rights Impact Assessment.

Metro Inc. operates as a retailer, franchisor, distributor, and manufacturer in the food and pharmaceutical sectors in Canada.

Besides the regular governance-related agenda items like the election of Board directors, the appointment of the auditor and an advisory vote on Executive compensation, the 2023 Annual General Meeting (AGM) of Metro Inc. included two shareholder proposals. The first shareholder proposal requested the company to adopt near- and long-term science-based greenhouse gas emissions reduction targets, including Scope 3 emissions from its full value chain. These targets should align with the Paris Agreement's 1.5°C goal requiring net-zero emissions by 2050 or sooner and to effectuate appropriate emissions reductions prior to 2030. After analyzing the proposal, we decided to vote in favor of it, as we believe it is a reasonable request which allows sufficient latitude to the board while making sure the company prepares and plans for mitigating environmental risks.

The second shareholder proposal requested the company to publish a report, at reasonable cost and omitting proprietary information, with the results of an independent Human Rights Impact Assessment identifying and assessing the actual and potential human rights impacts on migrant workers from the Company's business activities in its domestic operations and supply chain in Canada. In this case, Robeco's general approach applies to support shareholder proposals requesting reporting on company's compliance with international human rights standards.

While support rates for both proposals were around 28.5%, neither got approved by a majority of shareholders.

Visa Inc - 01/24/2023 - United States
Proposals: Advisory Vote on Executive Compensation, Election of Directors, and a Shareholder Proposal regarding the Separation of Chair And CEO Roles.

Visa Inc. operates as a payments technology company worldwide. The company operates VisaNet, a transaction processing network that enables authorization, clearing, and settlement of payment transactions.

As customary at the company's Annual General Meeting (AGM), this year's AGM saw the company's executive compensation up for shareholder approval, along with other usual management proposals, and a shareholder proposal requesting the separation of chair and CEO roles.

Similarly to previous years, we were not able to support this year's advisory vote on executive compensation. After reviewing the proposal, we determined that the total height of the CEO's remuneration was excessive and bore a significant cost for shareholders. Additionally, we held concerns regarding the largely discretionary nature of the short-term incentives and short performance period of the long-term incentives. Robeco has had repeated concerns regarding the company's remuneration practices, which resulted in votes Against remuneration proposals for more than three years in a row. Our continuous opposition towards the company's compensation practices has been escalated through our vote Against the re-election of the Chair of the Compensation Committee, as we deem the director most responsible for the persistent remuneration issues.

Lastly, the shareholder proposal included in the agenda requested that the Chair of the Board of Directors be an independent member of the Board. Robeco agrees with the merit of the resolution and we are generally supportive of the separation of the Chair and CEO roles. However, further analysis of the reasoning behind the proposal revealed that it aimed at diminishing the CEO's decision-making powers due to the proponent's criticism of the company's recent ESG efforts. Consequently, Robeco deemed this proposal as an attempt to frustrate the company's ESG ambitions, and we were unable to support it.

Accenture plc - 02/01/2023 - United States
Proposals: Election of Directors, Advisory Vote on Executive Compensation.

Accenture plc, a professional services company, provides strategy and consulting, interactive, industry X, song, and technology and operation services worldwide.

Unlike previous years, at the company's 2023 Annual General Meeting (AGM) we voted Against the re-election of two directors due to concerns regarding their external commitments. Both directors hold executive roles at public companies, while also serving on two public company boards. We believe that the time commitment required from the combination of executive duties and multiple board directorships may inhibit these directors from fulfilling the responsibilities required from them.

Additionally, we voted Against this year's Say-on-Pay proposal due to concerns with the total height of the CEO's compensation, which we deemed excessive and of significant cost to shareholders. Moreover, upon reviewing the proposed remuneration plan we identified multiple concerning structural elements. Firstly, the short-term incentives were largely discretionary, which can contribute to executive payouts that are not aligned with the company's performance. Secondly, the long-term incentives allow for vesting below median TSR performance, which results in awards granted for underperformance relative to peers. Lastly, a significant portion of long-term incentive awards vests over a period shorter than three years, with some of these vesting as quickly as one month after the grant date. This is the second year in a row where we are unable to support the company's remuneration proposal, so we will continue to monitor these issues carefully until next year's AGM, where we will decide whether to escalate our concerns.

CGI Inc - 02/01/2023 - Canada
Proposals: Election of Directors and Shareholder Proposals regarding Committee Mandates.

CGI Inc., together with its subsidiaries, provides information technology (IT) and business process services in Canada; Western, Southern, Central, and Eastern Europe; Australia; Scandinavia; Finland, Poland, and Baltics; the United States; the United Kingdom; and the Asia Pacific

The company maintains a multi-class share structure with unequal voting rights, a critical governance aspect that receives annual attention on the company's general meetings. While the Founder and Executive Chairman of CGI Inc. has an economic exposure of slightly more than 10%, he beneficially owns almost 54% of the company's total voting power. In line with the recommendations of the Canadian Institute for Governance of Private and Public Organizations, we assess on a case-by-case basis whether the governance practices of such issuers are robust or rather shareholder unfriendly. We, for example, analyze whether the voting strength of the superior shares is capped at a ratio of 4:1 or whether the company has put forth a reasonable time-based sunset of the multi-class share structure (generally seven years or less). For CGI Inc. neither is the case, and therefore, we believe we should hold a representative accountable for the governance risk posed by the multi-class share structure.

Besides a vote Against Management on the election of the Chair of the Board, we also voted Against Management's recommendation on several shareholder proposals, two of which requested the board to review the mandate of the corporate governance committee and human resources committee to include an ethical component concerning the use of Artificial Intelligence and more responsibilities relating to employee health and wellbeing respectively. We supported both proposals, indicating our belief that it is in the best interests of shareholders to formally address and delegate the oversight of material ESG risks to a board-level committee. However, we also indicated we would be supportive of the company choosing to delegate this responsibility to the board committee deemed most appropriate.

Ultimately, all directors proposed for election at the AGM were elected by shareholders and none of the shareholder proposals were adopted.

Tyson Foods, Inc. - 02/09/2023 - United States
Proposals: Board Elections and Shareholder Proposal regarding Policy on Use of Antibiotics in the Supply Chain.

Tyson Foods, Inc., together with its subsidiaries, operates as a food company worldwide. It operates through four segments: Beef, Pork, Chicken, and Prepared Foods.

The company maintains a multi-class share structure with unequal voting rights, which is not in the best interest of common shareholders, restricting investors from addressing key sustainability issues. Nevertheless, we decided to raise our concerns regarding the company's inadequate steps to mitigate its human rights impact and its link to social controversies, both by means of voting and reaching out directly to the Investor Relations team r. We voted Against the re-election of the governance/sustainability committee chair since we are concerned about the company's exposure to (and management of) health and safety and other labor-related issues based on Sustainalytics' Controversies Research, as well as the lack of evidence of adequate human rights due diligence processes as measured by the Corporate Human Rights Benchmark.

Additionally, we decided to support the shareholder resolution requesting the company to comply with World Health Organization (WHO) guidelines on the use of medically important antimicrobials in food-producing animals throughout its supply chains. We consider the nature of the issue of high importance, as the proposal is asking the company to address a material ESG risk. The resolution received only 4.6% support from shareholders.

Novartis AG - 03/07/2023 - Switzerland
Proposal: Amendments to Articles – Virtual General Meetings.

Novartis AG researches, develops, manufactures, and markets healthcare products worldwide. The company operates through two segments, Innovative Medicines and Sandoz.

Since January 1, 2023, the revised Swiss Code of Obligations allows companies to convene virtual-only general meetings "if the articles of association so permit". As a consequence, the first quarter of 2023 saw several Swiss companies, such as Novartis, seek shareholder approval to amend their articles of association to allow general meetings to be held virtually, in line with the new regulatory changes.

Robeco believes that the use of electronic means combined with a physical venue to convene hybrid general meetings is beneficial to shareholder rights. This enables participation from shareholders who are otherwise unable to attend the meetings in person, while also preserving the option to attend physically. On the other hand, we believe that virtual-only meetings can harm shareholder participation rights, hence we generally oppose their implementation. The amendments proposed by Novartis did not alleviate our concerns, given that these do not restrict the ability to hold virtual-only meetings under exceptional circumstances only, and do not sufficiently address our concerns that the virtual-only meeting format would lead to a deterioration in minority shareholder rights.

Apple Inc - 03/10/2023 - United States
Proposals: Advisory Vote on Executive Compensation, Shareholder Proposal regarding Median Gender and Racial Pay Equity Report, and Anti-ESG Shareholder Proposals.

Apple Inc. designs, manufactures, and markets smartphones, personal computers, tablets, wearables, and accessories worldwide. It also sells various related services.

Similarly to previous years, at the company's Annual General Meeting (AGM), among the usual management proposals, like approval of remuneration report and board elections, there were also five shareholder resolutions focusing on social and governance topics.

Robeco decided to vote Against the executive remuneration report because we are concerned with the significant height of the total compensation. Additionally, we identified issues with the structure of the remuneration package since the Long term incentive (LTI) plan is overly reliant on only one relative metric (TSR). This would result in vesting to occur for below-median performance since Performance Stock Units (PSUs)would be capped at target, even when TSR is negative. The say-on-pay proposal received 89% support from shareholders.

On the shareholder resolutions front, this year, we voted Against two anti-ESG shareholder resolutions that made it to the ballot. The proposals requested the company to commission and publish an audit analyzing its impacts on civil rights and non-discrimination, and to report on corporate operations with China. Though at first sight, the proposals seem supportable, by closely examining the proponents' supporting statements, we concluded that they aim to inhibit the company's actions on their respective focus areas. Both resolutions received below 5% support from shareholders.

Lastly, we supported the shareholder proposal focusing on promoting gender and racial pay equity, by increasing disclosure and transparency. Specifically, the proposal requested the company to report on median pay gaps across race and gender, including associated policy, reputational, competitive, and operational risks, and risks related to recruiting and retaining diverse talent. Almost 34% of shareholders supported this resolution, indicating the importance of this social topic.

Samsung SDI Co. Ltd. - 03/15/2023 - South Korea
Proposals: Director Elections and the Approval of the Financial Statements and Allocation of Profits/Dividends.

Samsung SDI Co., Ltd. manufactures and sells batteries in South Korea, Europe, China, North America, and internationally. The company operates through two segments, Energy solutions and Electronic Materials.

Samsung SDI's 2023 AGM agenda included a series of items routinely encountered on Korean company ballots. One resolution was of particular importance, namely the approval of the financial statements and the allocation of profits/dividends, which were bundled in one proposal.

The company had not released audited financial statements at the time of our initial review of the meeting materials. Notably, submitting unaudited financials for approval is not uncommon for Korean companies. This is widely perceived as being prompted by a much-criticized particularity of the country's regulations, whereby the deadline for submitting the audited financials is set 7 days after the deadline for dispatching the meeting notice and circular. That said, we expect companies to disclose the audited financial statements ahead of the meeting to provide shareholders with reliable, accurate and transparent financial information. We were satisfied that the company subsequently released the audited financial statements at least 21 days prior to the meeting date, prompting us to vote For the resolution.

Starbucks Corp. - 03/23/2023 - United States
Proposals: Advisory Vote on Executive Compensation and several Shareholder Proposals regarding ESG.

Starbucks Corporation, together with its subsidiaries, operates as a roaster, marketer, and retailer of specialty coffee worldwide. The company operates through three segments: North America, International, and Channel Development.

On Thursday, March 23rd, Starbucks held its Annual General Meeting (AGM), which included the usual set of management proposals and five shareholder resolutions. Regarding the agenda items put forth by management, Robeco decided not to sign off on the Advisory Vote on Executive Compensation due to concerns relating to payments provided in connection with the CEO transition. The former CEO was provided sizable payouts upon his termination, despite the company's disappointing shareholder returns over the last three years. Moreover, the CEO-Elect was provided Performance Share Units (PSUs) that are in line with the 2021-2023 performance cycle, awarding the incoming executive for performance he did not fully contribute to.

As stated above, the agenda also included several shareholder proposals. One of the proposals requested the company to report on plant-based milk pricing. After analyzing the resolution and coordinating it with in-house biodiversity experts, we decided to vote in favor, as increasing plant-based milk sales is one of the drivers to decrease deforestation from animal feed and methane emissions from dairy cattle. Moreover, price parity at large retailers is an important element to promote this, so asking Starbucks to research what implementing price parity would mean for the business is not considered overly prescriptive. Robeco also supported two other shareholder resolutions requesting the company to amend the corporate governance principles and practices to expand upon the CEO succession planning policy, and a request to commission a third-party assessment of the company's adherence to freedom of association and collective bargaining rights.

Four out of five resolutions on the agenda were not approved by shareholders. Only the resolution regarding the Assessment of Worker Rights Commitments was supported by a majority of shareholders.

SK Hynix Inc - 03/29/2023 - South Korea
Proposals: Financial Statements and Election of Audit Committee Member.

SK Hynix Inc., together with its subsidiaries, engages in the manufacture, distribution, and sale of semiconductor products worldwide. The company offers memory semiconductor products, including DRAM, NAND flash, multi-chip package, etc.

In the 2023 Annual General Meeting (AGM) of the company, as customary to most Korean companies, and similar to previous years, there was a bundled proposal related to the financial statements and the allocation of profits and dividends. The company provided evidence regarding their published audited financial statements during an engagement call we had a few days before the AGM. Nevertheless, we decided to vote Against the bundled resolution, advising the company to publish the audited financial accounts at least 21 days before the meeting, allowing for sufficient time for investors and proxy advisors to assess them.

During the call, we also discussed the nomination of a new independent director who is an external consultant at a law firm which has a professional services relationship with the company. The company remarked that the candidate is not a practicing lawyer, but a part-time advisor at the law firm. Moreover, an independent director of the board nominated her, based on her qualifications and the fact that her appointment would improve the board's diversity. We decided to classify her as independent and we supported her election as an Audit Committee member.

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