



## **Annual Voting Report 2021**

### **Summary**

<b>Voting Options</b>	<b>Totals</b>	<b>Percentages</b>
Resolutions voted in favour of management	418	94.1%
Resolutions voted against management	20	4.5%
Resolutions abstained from	6	1.4%
Resolutions not voted on	0	0.0%
<b>Total resolutions</b>	<b>444</b>	<b>100%</b>

Kennox Asset Management Limited, 33 Melville Street, Edinburgh, UK, EH3 7JF

Tel: +44 (0) 131 563 5440 Web: [www.kennox.co.uk](http://www.kennox.co.uk)

Authorised and regulated by the Financial Conduct Authority (FRN: 475658).

The Company is based in Scotland, UK with the above registered address (Registered Number: SC302037).



Breakdown by Company

Company	Resolutions voted in favour of management	Resolutions voted against management	Resolutions abstained from	Resolutions not voted on	Total resolutions	Comments Regarding voting against management, abstained from and not voted on
ADMIRAL GROUP PLC	24	1	0	0	25	<p><u>Resolution: Authority to allot shares</u></p> <p>The maximum amount of 2/3 of the Company's issued ordinary share capital is well above our threshold of 50%. This concerns us that Admiral's management would be able to raise a large amount of funds without asking shareholders for approval (for example to make a large acquisition).</p>
BP PLC	21	1	0	0	22	<p><u>Resolution: directors' authority to allot shares</u></p> <p>We felt that being able to allot shares up to 2/3rds of the current share capital of the company was too high.</p>
CANON MARKETING JAPAN INC.	9	0	0	0	9	
CHINA MOBILE LIMITED	22	1	0	0	23	<p><u>Resolution: To Extend the General Mandate Granted to The Board of Directors of The Company to Allot, Issue and Deal with Shares by The Number of Shares Bought Back In Accordance With Ordinary Resolution Number 8 As Set Out In The Agm Notice</u></p> <p>We felt that this resolution shouldn't be necessary if they give enough thought to buying back shares in the first instance.</p>
EQUINOR ASA	23	0	0	0	23	
EXXON MOBIL CORPORATION	15	6	0	0	21	<p><u>Resolution: Shareholder proposal: Political/Government - Report on Climate Lobbying.</u></p>

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						<p>The resolution wants it to be made clear how their lobbying activities align with the Paris Agreements and how misalignments are addressed. We believe this to be reasonable as any clarity on what lobbying is going on will be beneficial to stakeholders.</p> <p><u>Resolution: Shareholder Proposal: Establish Independent Chairman</u></p> <p>We like the idea of splitting the Chair and CEO role to provide better oversight. The role of the CEO and management is to run the company whilst the role of the Board of Directors is to provide independent oversight of management and the CEO. There is therefore, a potential conflict of interest for a CEO to be her/his own overseer as chair while managing the business.</p> <p><u>Resolution: Advisory Vote to Approve Executive Compensation.</u></p> <p>We thought CEO pay was excessive at more than \$10m, especially given the company financial performance in the year.</p>
FUJIKON INDUSTRIAL HOLDINGS LTD	11	0	0	0	11	
FUKUDA DENSHI CO., LTD.	5	0	6	0	11	<p><u>Resolution for Abstained Votes:</u></p> <p>Materials only provided in Japanese; information not available in English; abstained from voting.</p>
GLAXOSMITHKLINE PLC	21	1	0	0	22	<p><u>Resolution: To Approve the Annual Report on Remuneration</u></p> <p>Although the CEO remuneration decreased year-on-year, we still considered it to be too high as it is above our threshold.</p>

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KONINKLIJKE KPN NV	12	0	0	0	12	
METROPOLE TELEVISION SA	17	0	0	0	17	
MUENCHENER RUECKVERSICHERUNGSGESELLSCHAFT AKTIENG	10	0	0	0	10	
NEWCREST MINING LTD	6	0	0	0	6	
NEWMONT CORPORATION	12	1	0	0	13	<p><u>Resolution: Approve, on an Advisory Basis, Named Executive Officer Compensation.</u></p> <p>We felt CEO remuneration of more than \$12m, up 66%, was excessive.</p>
QUADIENT SA	31	3	0	0	34	<p><u>Resolution: Approval of The Amendment to The Performance Share Plan Allocated to The Chief Executive Officer Approved by The Board of Directors On 28 June 2018</u></p> <p>We cannot agree with the philosophy and the principle behind retrospectively changing performance targets – even though 2020 was an odd year, there will be other reasons in the future why performance targets are not met. Quadient needs to consider closely any remuneration set up that can fail like this, and hopefully put in place an improved system in the future.</p> <p><u>Resolution: Approval of The Amendment to The Performance Share Plan Allocated to The Chief Executive Officer Approved by The Board of Directors On 23 September 2019</u></p>

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						<p>We cannot agree with the philosophy and the principle behind retrospectively changing performance targets – even though 2020 was an odd year, there will be other reasons in the future why performance targets are not met. Quadient needs to consider closely any remuneration set up that can fail like this, and hopefully put in place an improved system in the future.</p> <p><u>Resolution: Approval of The Amendment to The Performance Share Plan Allocated to The Chief Executive Officer Approved by The Board of Directors On 25 September 2020</u></p> <p>We cannot agree with the philosophy and the principle behind retrospectively changing performance targets – even though 2020 was an odd year, there will be other reasons in the future why performance targets are not met. Quadient needs to consider closely any remuneration set up that can fail like this, and hopefully put in place an improved system in the future.</p>
ROYAL DUTCH SHELL PLC	22	0	0	0	22	
SINGAPORE TELECOMMUNICATIONS LTD	15	0	0	0	15	
SKY NETWORK TELEVISION LTD	3	0	0	0	3	
STAR MICRONICS CO., LTD.	6	0	0	0	6	

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STELLA INTERNATIONAL HOLDINGS LTD	11	0	0	0	11	
SWISSCOM AG	22	0	0	0	22	
TAISHO PHARMACEUTICAL HOLDINGS CO., LTD.	12	0	0	0	12	
TESCO PLC	31	3	0	0	34	<p><u>Resolution: Authority to Allot Shares</u></p> <p>We felt that it was too much for the directors to be able to allot shares up to 2/3 of the issued share capital without obtaining specific shareholder approval.</p> <p><u>Resolution: To Approve the Directors Remuneration Policy</u></p> <p>The maximum amount of pay possible, at £9m for the CEO, is just too high for what we feel is appropriate, even for exceeding performance targets.</p>
TEXWINCA HOLDINGS LTD	13	0	0	0	13	
THE WESTERN UNION COMPANY	13	1	0	0	14	<p><u>Resolution: Advisory Vote to Approve Executive Compensation</u></p> <p>More than \$10m for the CEO is above our threshold and just looks excessive.</p>
TRADELINK ELECTRONIC COMMERCE LIMITED	11	1	0	0	12	<p><u>Resolution: To Authorize the Board of Directors to Fix the Remuneration of The Directors</u></p> <p>We felt that CEO pay of 12% of profit was too high.</p>
YAMANA GOLD INC	10	1	0	0	11	<p><u>Resolution: On an Advisory Basis, And Not to Diminish the Role and Responsibilities of Our Board, You Accept the Approach to</u></p>

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						<u>Executive Compensation Disclosed in Our 2021 Management Information Circular</u>  Pay was \$7m for the Chairman and \$5m for the CEO and we felt that this was excessive for this company.
YUE YUEN INDUSTRIAL (HOLDINGS) LTD	10	0	0	0	10	

Please refer to our website for further information:

<https://kennox.co.uk/esg-stewardship-engagement/>

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