



RESPONSIBLE INVESTMENT SUMMARY

Proxy Voting Summary Q4 2020

DOMESTIC COMPONENT	TOTAL COUNT	FOR %	AGAINST %	ABSTAIN %
Adopt financials	5	100%	0%	0%
Auditor / risk / social/ ethics related	61	98%	2%	0%
Buy back shares	12	100%	0%	0%
Director remuneration	58	98%	2%	0%
Dividend related	5	100%	0%	0%
Issue shares	14	0%	100%	0%
Loan / financial assistance	16	31%	69%	0%
Other	21	76%	24%	0%
Re / elect director	75	100%	0%	0%
Remuneration policy	26	31%	69%	0%
Shares under director control	7	0%	100%	0%
Signature of documents	5	100%	0%	0%

FOREIGN COMPONENT (FOORD INTERNATIONAL FUND)	TOTAL COUNT	FOR %	AGAINST %	ABSTAIN %
Auditor / risk / social/ ethics related	2	50%	50%	0%
Issue shares	1	100%	0%	0%
Other	3	100%	0%	0%
Re / elect director	18	100%	0%	0%
Remuneration policy including directors' remuneration	5	80%	20%	0%

FOREIGN COMPONENT (FOORD GLOBAL EQUITY FUND)	TOTAL COUNT	FOR %	AGAINST %	ABSTAIN %
Auditor / risk / social/ ethics related	2	50%	50%	0%
Issue shares	1	100%	0%	0%
Other	1	100%	0%	0%
Re / elect director	19	100%	0%	0%
Remuneration policy including directors' remuneration	6	33%	67%	0%

General comments:

- There are few abstentions. We apply our minds to every single resolution put to shareholders. When there is an abstention it would typically be intentional or for strategic reasons.
- We typically vote against any resolution that could dilute the interests of existing shareholders. Examples include placing shares under the blanket control of Directors, providing loans and financial assistance to associate companies or subsidiaries and blanket authority to issue shares. On the rare occasion we have voted in favour of such resolutions, we were able to gain the required conviction in the specifics of the strategic rationale for such activities and could gain comfort that such activities are indeed to be used to the reasons stated.
- The firm also has a strong philosophy regarding management remuneration models. We believe in rewarding good managers with appropriate cash remuneration on achievement of relevant performance metrics that enhance long-term shareholder value. We are generally not in favour of share option schemes given the inherent asymmetry between risk and reward typical of such schemes. In addition, we do not believe that existing shareholders should be diluted by the issuing of new shares to management as is the case with most option schemes. We are in favour of the alignment created between management and shareholders when management has acquired its stake in the company through open market share trading and paid for out of management's own cash earnings.

Notable Engagements

(Note: reporting at investment house level, specific fund might not be invested in all these companies)

Libstar	Concerns around metrics used (operating earnings vs. reported earnings), weightings attached to the metrics and share dilution as result of new share issuances.
Invicta	Engagement with non-executive director on exco remuneration and general strategy for new management regarding capital allocation going forward.
Bidvest	Management wanted feedback on why we voted against remuneration policy. Our issues were primarily the share-based settlement. It should be noted that the group bases returns on ROFE (excludes intangibles and goodwill). We do not believe that ROFE is an appropriate metric for Bidvest.
Bidcorp	AGM voting and remuneration discussions. Had a discussion with the CFO on the structuring of their debt and the fact that we voted against the convertible (resolution 8.0: creation of convertible debentures). We are not in favour of obscure funding sources and the group's balance sheet is sound with ample liquidity (22% of market cap) and does not require alternative sources of debt. Essentially we voted against due to unnecessary shareholder dilution.
Richemont	AGM voting – feedback to IR on our management meeting. Remuneration policy – in our opinion the policy must be a function of earnings growth, returns and free cash flow measures to ensure that capital allocation drives both short term and long term returns. Regarding the Board of Directors, we feel that both the size of the board and total compensation is high.
Mediclinic	AMG voting and remuneration discussions. We queried 50% of Short Term Incentive (STI) to be delivered in shares. Management confirmed that delivery is in shares and they buy back in the market, hence no existing shareholder dilution.

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