



FOORD ASSET MANAGEMENT

QUARTERLY ESG REPORT

Q1 2022

Signatory of:



RESPONSIBLE INVESTMENT SUMMARY

Proxy Voting Summary Q1 2022

DOMESTIC COMPONENT	TOTAL COUNT	FOR %	AGAINST %	ABSTAIN %
Auditor/risk/social/ethics related	15	100%	0%	0%
Buy back shares	4	75%	25%	0%
Director remuneration	16	100%	0%	0%
Issue shares	4	25%	75%	0%
Loan/financial assistance	4	0%	100%	0%
Other	9	67%	33%	0%
Re/elect director	18	100%	0%	0%
Remuneration policy	6	50%	50%	0%
Signature of documents	1	100%	0%	0%

FOREIGN COMPONENT (FOORD INTERNATIONAL FUND)	TOTAL COUNT	FOR %	AGAINST %	ABSTAIN %
Adopt financials	1	100%	0%	0%
Auditor/risk/social/ethics related	3	100%	0%	0%
Re/elect director or members of supervisory board	7	100%	0%	0%
Remuneration policy including directors' remuneration	1	0%	100%	0%

FOREIGN COMPONENT (FOORD GLOBAL EQUITY FUND)	TOTAL COUNT	FOR %	AGAINST %	ABSTAIN %
Adopt financials	1	100%	0%	0%
Auditor/risk/social/ethics related	5	100%	0%	0%
Issue shares	3	100%	0%	0%
Re/elect director or members of supervisory board	21	100%	0%	0%
Remuneration policy including directors' remuneration	3	0%	100%	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)

Fortress	Raised concerns about the company's intention to classify income as a capital distribution and conveyed our intention to vote against the proposed MOI change. Additionally, we flagged management's varying shareholding between A and B unit, which we believe creates a conflict of interest.
Oceana	Multiple board engagements to ascertain reasons and extent of violations leading to delayed results publication. Actively pushed the board for increased disclosure of facts.
Astral Foord	Raised concern about voting on financial assistance to subsidiaries, a standard item often overlooked in many AGMs. Where the wording is vague, companies can potentially provide disproportionate financial assistance to non-controlled subsidiaries. Established with FD that the two non-controlled entities were in the process of being sold but requested a tightening up the wording on this item for future years.

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