



FOORD ASSET MANAGEMENT

QUARTERLY PROXY VOTING AND ENGAGEMENT REPORT

Q4 2024



Signatory of:



RESPONSIBLE INVESTMENT SUMMARY

Proxy Voting Summary Q4 2024

DOMESTIC COMPONENT	TOTAL COUNT	FOR %	AGAINST %	ABSTAIN %
Adopt Financials	5	80%	20%	0%
Auditor/Risk/Social/Ethics related	84	99%	1%	0%
Buy Back Shares	13	100%	0%	0%
Director Remuneration	87	97%	3%	0%
Dividend Related	1	100%	0%	0%
Issue Shares	8	13%	87%	0%
Loan / Financial Assistance	17	29%	71%	0%
Other	25	89%	11%	0%
Re/Elect Director	63	98%	2%	0%
Remuneration Policy	35	57%	43%	0%
Shares under Director Control	9	0%	100%	0%
Signature of Documents	4	100%	0%	0%

FOREIGN COMPONENT (FOORD GLOBAL EQUITY FUND)	TOTAL COUNT	FOR %	AGAINST %	ABSTAIN %
Auditor/risk/social/ethics related	7	29%	71%	0%
Re/elect director or members of supervisory board	15	100%	0%	0%
Remuneration policy including directors' remuneration	5	20%	80%	0%
Signature of documents/ratification	1	100%	0%	0%

FOREIGN COMPONENT (FOORD INTERNATIONAL FUND)	TOTAL COUNT	FOR %	AGAINST %	ABSTAIN %
Auditor/risk/social/ethics related	7	29%	71%	0%
Dividend related	1	100%	0%	0%
Re/elect director or members of supervisory board	16	100%	0%	0%
Remuneration policy including directors' remuneration	7	43%	57%	0%
Signature of documents/ratification	6	100%	0%	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 these companies)

COMPANY	NATURE OF ENGAGEMENT	DETAILS
City Lodge	Environmental	As part of a routine check-in, a meeting was held with management to discuss various operational matters. The discussion included an inquiry into environmental sustainability efforts, with a particular focus on water management, given the developing water crisis in Johannesburg. Management confirmed that approximately 70% of the FY25 capital budget is allocated to water sustainability projects.
Metair	Audit & Risk, Remuneration, Investment and Social & Ethics	A meeting was conducted to engage with the Board regarding their responsibilities, including Audit & Risk, recent investment decisions, remuneration, and related policies. Discussions also covered Social and Ethics initiatives. The engagement was considered valuable, providing an opportunity to communicate concerns and expectations to the Board.
FirstRand	Remuneration Policy	Discussions focused on the following key areas: Commission Practices – An examination of current and historical commission practices employed by FSR in the UK, particularly within MotoNovo, including the extent to which these practices may have created conflicts of interest and the potential harm caused to consumers. Governance Oversight – Concerns were raised regarding the adequacy of governance structures in overseeing such practices. Regulatory and Industry Impact – An assessment of the potential implications of the impending UK Supreme Court decision on historical commission arrangements, particularly its impact on the future sustainability of the UK motor finance industry and consumer choices and welfare.
Spear Reit	Environmental	A meeting was held with management to review recent results, during which the topic of wheeling was discussed. In conjunction with the ongoing solar program — which has resulted in a more than fourfold increase in kWp production over the past five years — wheeling was identified as an additional strategy for Spear to reduce carbon emissions. Furthermore, this initiative contributes positively to green energy generation in the Western Cape.
Afrimat	Social Governance & Environmental Impact of Products	A meeting was hosted with management to discuss various topics, including the employment implications of the acquisition of Lafarge SA. Management confirmed that the acquisition would result in job creation with no retrenchment programs planned. Additionally, they reported traveling to Lichtenburg to reaffirm their commitment to the local community. Beyond employment considerations, discussions included a detailed review of a new cement product incorporating fly ash, a by-product of coal power plants, as an extender. This innovation is expected to reduce reliance on high-carbon clinker, positioning the product as a first-of-its-kind and a pioneering development within the sector.
FirstRand	Social: State of SA debt review process	The engagement focused on the current state and functioning of the South African debt review market. Discussions centred on the impact of bad actors within the market and how they were adversely affecting consumer outcomes. The conversation also explored the level of protection, or potential harm, being afforded to borrowers within the broader debt review process in South Africa.

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