



## Slater Investments Limited Voting Summary

1 January 2021 to 31 March 2021

The below table gives a summary of all our voting instructions across all companies held by Slater Investments Limited on behalf of the clients we advise and manage during the first quarter of 2021:

<b>Meetings</b>	
Total number of meetings voted at	30
Total number of resolutions voted on	201
Number of resolutions where we voted with management	158
Number of resolutions where we voted against management	40
Number of resolutions where we abstained	3
Number of resolutions where we voted against our voting policy	4

Of our votes against management recommendations:

- 40% related to the disapplication of pre-emption rights
- 26% related to Executive Director remuneration
- 10% related to company takeovers
- 10% related to the request to make political donations
- 7% related to the re-election of Executive Directors
- 5% related to shareholder ESG activism
- 2% related to a company's accounts and annual report

Of our votes where we abstained:

- 100% related to Executive Director remuneration

Of our votes where we voted against our voting policy:

- 75% related to Executive Director remuneration
- 25% related to the disapplication of pre-emption rights

The disapplication of pre-emptive rights features heavily across the board. Pre-emptive rights give existing shareholders the opportunity to buy additional shares in any future issue of a company's common stock before the shares are made available to the general public. The disapplication therefore removes the right. As a matter of protecting against dilution, we do not believe this should be commonplace nor at management's discretion. However, Avation engaged with us during the quarter about their equity raise, which allowed the company to survive. Consequently, we voted against our own policy.

Our votes against Executive Director remuneration surround the use of nil-cost options. In some instances, we do believe these have a place and a purpose. However, these cases are few and far between, and it is a remuneration structure much more aligned with a cash strapped start-up than an established profit-making company. Where we believe the remuneration policy is especially excessive, we will vote against the re-election of the Chair of the Remuneration Committee. We have also noted the list of Chairs who chose not to engage with us when they were sent our [open letter](#) on nil-cost holdings.

Shareholder activist proposals are few and far between in the small to mid-capitalisation space. However, one of our larger companies, Disney, featured two on its Annual General Meeting ballot. Both were related to ESG, with one focusing on lobbying transparency and the other centred on increasing diversity in the nominees at an executive director level. Both were recommended to be voted



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against by the Board, however, we believed neither would negatively impact the business and therefore voted in favour.

The accounting practices in Countryside Properties' 2020 Annual Report were red flagged. We agreed with these and voted against accepting the accounts.

**Slater Investments ESG**

April 2021