



## DWDSOEGOEMRO

ODBGDWSOEGOEMRODRBGDME&DOEGORCGMDDGGGO  
DWB16KDMM 2020.

ODBERGDHWKBGOCGDSDDOEHOFMDDKKA

KBROO

Sarasin & Partners

(RM)

GGEBHWRO

GWVRO

&MDDA

DDOCGGODDGDWD  
SOEGOEMRBROO

ODHEMDDKKAOSROCMESOEGOEMRBROHOEFMISD  
EGGCGROGGODDGDW/SOEGOEMRBROGGHDOOEGGCGROO  
MROCGGMBGGDDGO

MHEMGGGEBDOEBGGO  
KEROEMEOEGOEMRBRO  
DDGO

49

MHEMGGGEBDOEBGGO  
KEROEMEOEGOEMRBRO  
KGBDDGO

735

&DSEBDDGD  
BROSOEGORRO

□

93.5%

&DSEBDDGDODHDDWOGGO  
BROBROGGD \*\*

3.8%

&DSEBDDGDODH  
SOEGORROGGD BROHOEDD  
BEMREBEGDDODH  
EDOG SOGGD

63.6%

&DSEBDDGDODHROEGORRO  
BRO BRO HOEDD  
BEMREBEGDDODH  
EDOG SOGGD

□

32.6%

&DSEBDDGDODHROGG  
SOEGORROBROODDGO  
BGGREMO DEHOEDD \*\*

29%

IRROO : EMBRO

\*Dydy'r rheolwr ddim yn pleidleisio mewn awdurdodaethau lle mae gofynion blocio cyfranddaliadau ac atwrneiaeth yn gymwys. Yn ychwanegol, ar bedwar achlysur gwahanol yn ymwneud â daliad y rheolwr yn Credicorp, dewisiwyd peidio â chynnal pleidlais gan nad oedd opsiwn i bleidleisio yn erbyn y rheolwr. Roedd yr enghreifftiau hyn mewn gwirionedd yn erbyn ail-ethol cyfarwyddwyr, pecynnau tâl cydnabyddiaeth y cyfarwyddwyr hyn ac mewn protest yn erbyn PWC fel archwilwyr. Ymhob achos, roedd y penderfyniadau hyn i beidio â phleidleisio yn ymwneud â phryderon y rheolwr ynghylch ystyriaeth y cwmni o newid hinsawdd a chydweddu â chytundeb Paris.

\*\* Yn cynnwys ataliadau rhag pleidleisio ac adegau lle bu'r rheolwr yn dewis peidio â phleidleisio (yn nodweddiadol pan nad oedd unrhyw ddewis arall yn caniatáu i'r rheolwr bleidleisio yn ei erbyn).

\*\*\* Cynrychiolydd - yn ymwneud a chofnod pleidleisio cyffredinol Sarasin & Partners' yn 2020, nid y portffolio penodol hwn . Fe anwybyddodd y rheolwr eu polisi pleidleisio eu hunain mewn 14% o'r penderfyniadau.

Mae'r rheolwr yn cyflogi cwmni cyngorol procsi, Institutional Shareholder Services (ISS), i weithredu eu polisi pleidleisio, ond dydyn nhw ddim yn defnyddio polisi pleidleisio diodyn ISS. Maw'r pleidleisiau'n cael eu monitro gan y rheolwr. Mae'r rheolwr hefyd yn monitro perfformiad ISS. Mae dadansoddwyr hefyd yn ymgysylltu'n weithredol â'r broses bleidleisio ac yn ymchwilio i anghysonderau gyda gwasanaeth pleidleisio procsi'r trydydd parti, ISS, pan ddônt i'r golwg.

Mae'r rheolwr yn talu am ddefnydd ISS, ymchwil MSCI ESG, HOLT, Proxy Insight a chyfweiliadau rhwydwaith arbenigol fel darparwyr gwasanaethau ACLI arbenigol .

## Pleidleisiau arwyddocaol

Mae'r Ymddiriedolwyr wedi dirprwyo'r dasg o ddiffinio beth ydy "pleidlais arwyddocaol" i'r rheolwr. Ceir crynodeb o brif weithrediadau pleidleisio'r rheolwr isod.

Dangosir sampl o bleidleisiau ar draws blwyddyn y Cynllun ar lefel cyfrif ar wahân isod.

	Pleidlais 1	Pleidlais 2	Pleidlais 3
Enw'r Cwmni	Aramark	Amazon INC	EssilorLuxotica
Dyddiad y bleidlais	Ionawr 2020	Mai 2020	Mehefin 2020
Crynodeb y penderfyniad	Cadarnhau KPMG LLP fel Archwilwyr	Adroddiad ar Rywedd Canolrifol Byd-eang/Bwlch Cyflog rhwng yr Hiliau O blaid	Cymeradwyo Digolledu'r Cadeirydd a'r Is-gadeirydd
Sut y pleidleisiodd y rheolwr	Atal	O blaid	Yn erbyn
<b>If the vote was against management, did the manager communicate their intent to the company ahead of the vote?</b>	Do	ddim yn berthnasol	Do
<b>Rationale for the voting decision</b>	Last year Sarasin initiated an engagement with Aramark as they had significant concerns over the company's strategy, communication and executive remuneration. Sarasin wrote to the Chair twice and had a conversation with him, asking the Board to clarify to the market its growth driver, and to review its portfolios and reduce CEO pay. Sarasin was glad that the Chair was receptive to their feedback and the Board has since taken a number of shareholder-friendly actions: new directors with strong food experience were appointed, the CEO and CFO were both replaced and the CEO's remuneration was cut by about	Sarasin believe diversity is a very important subject in the technology sector as various algorithms and products could inherently create bias against race or gender because either the developers are biased or the data is biased. Sarasin are of the view that big technology companies such as Amazon have the duty and responsibility to promote diversity. One way Sarasin believe this can be done is to ensure any pay gaps due to race or gender are eliminated. While Amazon has been disclosing pay equity data since 2016, Sarasin encouraged the company to disclose median gender/racial pay gap figures as these numbers paint	Sarasin has been engaging with the company since the completion of the merger in October 2018 and the emergence of a governance deadlock at Board level. While the Chair and the Vice Chair had agreed a settlement at the AGM in 2019, the company has not made any noticeable improvement in governance since then. The company still lacks a permanent CEO, and there is no lead independent director to act as a communication channel for minority shareholders. Sarasin has written to the Board four times and have received one reply, which Sarasin feel

	Vote 1	Vote 2	Vote 3
	<p>25%.The new CEO also gave a clear indication to the market what to expect of Aramark’s strategy and growth drivers.</p> <p>One remaining issue Sarasin asked the Board to consider was to change its auditor, who has served since 2002, a period which Sarasin consider too long and would threaten its independence. The Chair explained that given the current transition of the company, changing the auditor at this point may be too disruptive. Sarasin abstained on the re-appointment of the auditor, and encouraged the Board to look for a new auditor as soon as practicable.</p>	<p>a better picture on how employees of different gender and race have progressed within the organisation. While a global number is unable to provide complete picture, Sarasin believes the company can explain this number rather than avoid reporting on this number at all.</p>	<p>does not provide sufficient comfort that the Board is addressing their concerns. Before the AGM in 2020, Sarasin wrote to two French regulatory bodies – the Autorité des Marchés Financiers and the Haut Comité de Gouvernement d’Entreprise – raising their concern that the company’s current governance arrangements have impeded directors in carrying out their duties in the best interest of shareholders. Sarasin has not had a formal response yet.</p> <p>At the AGM Sarasin voted against the remuneration of both the Chair and the Vice-Chair, as a protest that the company has not been willing to engage with shareholders, as well as to reflect Sarasin’s ongoing concerns related to the company’s remuneration policy.</p>
<b>Outcome of the vote</b>	<p><b>Approved:</b> Percentage of votes cast for the resolution: 99% for, 1% against.</p>	<p><b>Defeated:</b> Percentage of votes cast for the resolution: 15.3% for, 84.7% against.</p>	<p><b>Approved:</b> Percentage of votes cast for approving compensation of the Chair: 85.8% for, 14.2% against. Percentage of votes cast for approving compensation of the Vice-Chair: 81% for, 19% against.</p>

## Fund level engagement

The manager may engage with its investee companies on behalf of the Trustees. The table below provides a summary of the engagement activities undertaken by the manager during the year to 31 December 2020.

Manager	Sarasin & Partners
Fund name	Segregated account
Does the manager perform engagement on behalf of the holdings of the fund	Yes
Has the manager engaged with companies to influence them in relation to ESG factors in the year?	Yes

Manager	Sarasin & Partners
Number of engagements undertaken on behalf of the holdings in this fund in the year	Information not provided
Number of engagements undertaken at a firm level in the year	186
Examples of engagements undertaken with holdings in the fund	<ul style="list-style-type: none"> <li>• Engagement with EssilorLuxotica to resolve governance concerns and internal management conflicts after a merger in 2019.</li> <li>• Engagement with Associated British Foods over its handling of the COVID-19 pandemic. Sarasin's concerns centred around 1) Primark's cancellation of all new garment orders and lack of commitment to pay for outstanding orders, 2) the possible withholding of rent payments from landlords, and 3) the health and safety of workers and customers during furlough and business reopening.</li> <li>• Engagement with Aramark around governance concerns. Sarasin commenced engagement on issues including auditor tenure, remuneration, combined CEO/Chair, strategy and communication. Sarasin also reached out to the company to highlight their expectations and understand the company's actions in the early stages of the pandemic, particularly with respect to the treatment of its workforce.</li> </ul>

Source: Information provided by the investment manager.