



STONEHAGE FLEMING GLOBAL BEST IDEAS EQUITY FUND VOTING & ENGAGEMENT RECORD 2022

Under the Financial Conduct Authority rules, COBS 2.2B, Stonehage Fleming Investment Management Limited (SFIM) is required to disclose on an annual basis:

1. A description of voting behaviour
2. An explanation of the most significant votes
3. The use of the services of proxy advisors, and
4. A description of how we have cast votes in the general meetings of companies

This disclosure in accordance with the above.

SFIMs Shareholder Engagement Policy can be found here: <https://cdn.io.stonehagefleming.com/craft-cms/legal/Stonehage-Fleming-Investment-Management-SFIM-Voting-and-Engagement-Policy.docx.pdf>

Investment Manager name	Stonehage Fleming Investment Management Limited
Start of Reporting Period	01-Jan-22
End of Reporting Period	31-Dec-22
Fund Name	Stonehage Fleming Global Best Ideas Fund

FUND/MANDATE INFORMATION

Size of the fund as at the end of the Reporting Period?	Stonehage Fleming Global Best Ideas Equity fund = \$1.90bn
What was the number of equity holdings in the fund mandate as at the end of the Reporting period?	27



VOTING POLICIES

<p>Description of our process for deciding how to vote</p>	<p>When deciding how to vote we will consider our voting policy and the companies’ management views, rationales and proposals. We will also consult third party information sources including the services of our proxy advisors, Glass Lewis. We will consider all information in order to draw our own conclusions on each vote and will not default to follow either management or advisor views.</p> <p>We will vote against proposals that compromise our clients’ interests. We may not vote where we are not able to make an informed decision due to poor disclosure, or where we receive an unsatisfactory response from management.</p>
<p>Description of proxy voting services</p>	<p>We use a third party proxy advisory voting services provided by Glass Lewis. Whilst SFIM will take guidance from Glass Lewis, final voting decisions are determined by the Investment Committee and in accordance with SFIM’s agreed voting procedures and policies.</p> <p>. Due to the complexity and need for specialist expertise in assessing these specific social and environmental risks, SFIM will, in general, vote in accordance with the recommendation of our third party proxy advisory services company, Glass Lewis.</p> <p>The cost of information for these votes, including the use of proxy advisors, is paid for by SFIM. The cost of executing votes is covered by the fund Custodian fee.</p>
<p>How we define “most significant” votes</p>	<ol style="list-style-type: none"> 1. Potential impact on financial outcome. This would include votes which we consider might have a material impact on future company performance, for example approval of a merger. 2. Whether there is the potential for detriment to the interests of our clients. 3. Whether the vote was high-profile or controversial. This could be judged using any or all of the following: level of media interest; level of political or regulatory interest; level of industry debate. 4. Where we have voted against the recommendation of third party proxy voting adviser, Glass Lewis. 5. In the pursuit of governance best practice.
<p>Any conflicts of interest that arose during the reporting period in respect of any votes cast.</p>	<p>None</p>

VOTING STATISTICS FOR THE REPORTING PERIOD



Number of meetings we were eligible to vote at	27 AGMs
Number of resolutions we were eligible to vote on	420
% of resolutions we voted on for which we were eligible	94%
	Voting for Swiss domiciled companies requires us to temporarily cede custody of our shares in those companies, during which time we lose our ability to trade in them. As such, and in order to maintain full liquidity at all times, in 2022 we did not vote on a Swiss holding of the Fund. This one company accounted for 6% of all resolutions we are eligible to vote on.
Of the resolutions on which we voted, the % we voted with management	95%
Of the resolutions on which we voted, % we voted against management	5%
Of the resolutions on which we voted, % we abstained from voting	0%
% of meetings where we voted at least once against management	30%
% of resolutions where we voted against the recommendation of our proxy adviser	9%
% of votes in line with result	94%
% of votes on Governance (and % supported)	11% (78%)
% of votes on environmental and social issues (and % supported)	7% (23%)



MOST SIGNIFICANT VOTES

	VOTE 1	VOTE 2	VOTE 3	VOTE 4	VOTE 5	VOTE 6
Company name	LVMH	PepsiCo	Edwards Lifesciences	EssilorLuxottica	Amazon	Microsoft
Date of vote	21/04/2022	02/05/2022	03/05/2022	25/05/2022	25/05/2022	13/12/2022
Size of holding on vote date (as % of portfolio)	4.3%	1.9%	1.7%	4.7%	3.9%	5.8%
Summary of the resolution	Multiple votes on remuneration	Shareholder proposal for independent Chair	Election of Board nominee who reduced shareholder legal rights	Multiple votes on remuneration	Multiple votes against Proxy Advisor advice	Shareholder proposal Government use of technology
Management recommendation	For	Against	For	For	Against	Against
Proxy vote advisor recommendation	Against	For	Against	Against	For	For
How we voted	Against	For	Against	Against	Against	For
Advanced communication to company of vote intent	No	No	No	No	No	No
Rationale for the voting decision	Excessive remuneration and poor disclosure of data and targets	In support of corporate governance best-practice	In support of corporate governance best-practice	Excessive remuneration and poor disclosure of data and targets	Opposition to political biases identified at proxy vote advisor	Reputational and social damage
Outcome of the vote	All for (all <80%)	Against (68%)	For (87%)	All for (all with majority of vote)	All against (but several very close)	Against (79%)
Implications of the outcome	None due to management control of company	No change in Board governance has been made	No change to Board membership or rights	SFIM have engaged further directly on related governance issues	Outcomes pending, esp. on close votes.	Currently unknown
Criteria on which vote classified "most significant"	2, 3, 5	2, 5	2, 5	2, 3, 4, 5	3, 4	3



ENGAGEMENT RECORD DURING THE REPORTING PERIOD

Number of companies owned during the reporting period	31
Number of engagements with Fund holdings excluding AGM and EGM votes	27
Total number of all company engagements by Fund team	45
Number of AGM's voted	27 AGMs, 0 EGMs
3rd Parties providing engagement on our behalf	Glass Lewis
Number of AGM's not voted (where eligible)	1 – Nestle
Reasons for not voting:	Prohibitive Swiss rules on custody of holding during vote
Number of companies own with no vote entitlement	1 - Alphabet Whilst our shareholding in Alphabet has no vote entitlement we still review and appraise each company and shareholder vote and the overall governance quality of the company
Number of Company organised Investor/Capital Market day's attended	6
Number of broker-hosted Company group meetings attended (% with Senior Management in attendance)	22 (36%)
Number of direct meetings with Company Investor Relations	9
Number of direct meetings with Company Board Members	0
Number of direct meetings with Company Executives	4
Number of formal communications to Companies (letter or email)	4

