



BERENBERG
PARTNERSHIP SINCE 1590

BERENBERG WEALTH AND ASSET MANAGEMENT

Proxy Voting Policy

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Introduction

At Berenberg Wealth and Asset Management, we see the exercise of voting rights (i.e., Proxy Voting) as an important tool for positively influencing companies with regard to corporate governance structures and, at the same time, for strengthening shareholder rights. By supporting the exercising of voting rights, we want to ensure that companies operate sustainably in the long term and that they adhere to good corporate governance standards. Therefore, we have created a Proxy Voting Policy (“Policy”), which incorporates relevant Environmental, Social and Governance (ESG) aspects. Based on our Policy we define recommendations for voting at general meetings of our portfolio companies.

This Policy sets the guideposts for our voting recommendation activity, and it represents our philosophy and beliefs regarding ESG issues in companies. Our Policy is, deliberately, not to be thought of as a hard set of rules, but rather as a set of guidelines on which we base our analysis.

The Policy has been developed and is updated considering current corporate governance standards, environmental and social guidelines, industry standards as well as the potential impact of the proxy voting decisions on the investments. It is important to note that voting recommendations are subject to regional and country-specific differences and our Policy is not inclusive of all considerations in each market. As a basic principle, we provide voting recommendations in accordance with local laws as well as good corporate governance standards.

Scope and Implementation

Where relevant, we apply the Policy to our mutual investment funds. Since the voting rights for relevant holdings in these funds legally reside with our mutual funds’ investment management company (administrator), we define voting recommendations for each agenda point of general meetings and pass on these recommendations to the administrator, who takes them into account when voting. Every voting recommendation is preceded by an initial analysis through our external proxy voting service provider based on our Policy and a further in-depth analysis by our ESG Office and the responsible portfolio management entities. If questions arise during this analysis, we take them up directly with the company as part of our engagement and, if possible, incorporate the findings obtained into our final recommendation.

We generally do not carry out proxy voting for our clients in asset and wealth management mandates; however, we may have special separated accounts (segregated mandates) for which we may provide our voting recommendations based on our Policy to the respective clients.

Conflicts of Interest

When engaging in proxy voting activities we may be subject to conflicts of interest, e.g., in cases where our voting recommendations apply to companies that have further business relations with us. We endeavour to provide voting recommendations that are beneficial for the long-term sustainable development of the company. In this way, we consider our client’s best interest.



1 Board-Related Issues

Board-related management proposals can address a wide range of topics such as nomination of members, discharge of directors, overall board structure and board remuneration.

Board structures differ depending on the jurisdiction and country regulation that companies operate under. There are two main types of structures, i) the unitary board structure and ii) the two-tier board structure. The unitary board structure comprises both executive directors and non-executive directors (“board of directors”), and the two-tier board structure is composed of a separate board of executive directors (“management board”) as well as a non-executive board which supervises the executive directors (“supervisory board”)¹. This Policy and the ensuing voting recommendations consider the respective relevant board structures.

A sufficient independence of boards, both of the board of directors within the unitary board structure and of the supervisory board in a two-tier board structure, is a relevant aspect of good corporate governance and may, depending on the respective stock exchange, be required for a listing. Independence generally refers to non-existence of material relationships with a company and not being part of the company’s executive team or being otherwise involved in the company’s operations. We revert to local laws and regulations of the company’s main listing market regarding the definition of “independent” directors. If there are no such definitions, we will refer to the International Corporate Governance Networks (ICGN) standards of independence.²

Board remuneration has always been a key aspect in voting. In our view, a company’s remuneration system should support its long-term sustainable development and must not be misaligned with shareholders’ interests and industry best practice.

1.1. Elections of Directors

We generally advise to vote **AGAINST** the **election or re-election³ of directors⁴**, if:

1.1.1 Individual Qualifications and Characteristics

- The candidate is not sufficiently qualified or unsuitable for the position.
- Adequate disclosure of the candidate’s qualifications has not been provided in a timely manner.
- Serious concerns about the candidate, such as criminal wrongdoing or breach of fiduciary responsibilities, exist. Further considerations may include but are not limited to sanctions from government or authority, violations of laws and regulations, or other issues related to improper business practice, failure to replace management in warranted cases, or egregious actions related to service on other companies’ boards.
- The discharge of the candidate is called into question (in case of re-election, refer to 1.2 for criteria on discharge).
- The candidate was the company’s lead auditor in the past 4 years.
- The election of a candidate would result in a lack of qualification of the board.

¹ When using the general term “board” within this Policy we refer to the board of directors in a unitary board structure and the supervisory board in a two-tier board structure if not otherwise specified.

² Please see the appendix for the ICGN’s standards of independence as of publication of this Policy.

³ When using the term “election” within this Policy we refer to both election and re-election of directors if not otherwise specified.

⁴ When using the term “directors” within this Policy we refer to both executive and non-executive directors if not otherwise specified.



- The election of a candidate would result in a lack of balance of the board regarding expertise and experience in the context of company's main activities and according to the respective country's best practice corporate governance standards.
- The candidate has not sufficiently disclosed conflicts of interest.
- The candidate faces serious conflicts of interest.
- The election of a candidate causes the company not to meet its self-imposed goals on diversity.
- The election of a candidate results in a direct transition (within two years) from executive to non-executive directorship. In especially warranted cases, executive directors can become non-executive directors, but not chair of the board, if this change is in line with the respective a country's best practice corporate governance standards.

1.1.2 Board Structure

- Director elections are carried out on a block basis and the individual qualification or suitability of at least one of the candidates is called into question (refer to 1.1.1 for criteria).
- The chair of the supervisory board also serves as the chair of the audit committee.
- The election of a candidate in a company with a unitary board structure results in (or continues) the dual role of CEO (Chief Executive Officer) and chair of the board.

1.1.3 Overboarding of Directors

We generally advise to vote AGAINST the **election of directors** which we deem to hold an excessive number of board appointments and thus classify as overboarded. The following conditions apply in the assessment of number of board appointments:

- Director with executive function in any company: A maximum of three mandates
- Director without executive function in any company: A maximum of five mandates
- The roles of chair or CEO are counted double.

We generally advise to vote AGAINST the **election of a director without executive function in any company** if:

- The election causes this candidate to hold in total more than five board seats or other comparable mandates.

We generally advise to vote AGAINST the **election of a director with executive function in any company** if:

- The candidate holds other executive director or non-executive chair positions.
- The election causes this candidate to hold more than three positions.



1.1.4 Independence of Directors and Board⁵

We generally advise to vote AGAINST the **election of directors** if:

- The election of a candidate causes the board to become insufficiently independent (employee representatives are excluded from the independence calculation). We usually expect the board to be at least 50 percent independent. Further, we expect the committees to be at least 50 percent independent.

1.1.5 General Considerations relating to Board Elections

We generally advise to vote AGAINST the **election of directors** if:

- The candidate is a member of the audit, remuneration or nomination committee, and the respective committee has made important decisions under the candidate's chair that contradict best practice corporate governance standards or interests of shareholders.
- Nomination rights or special rights are exercised for the management's election proposal resulting in a disproportionate board representation of substantial shareholder, government, or founding family representatives.
- The candidate has attended fewer than 75% of the board and audit / risk committee meetings in a given year without a satisfactory explanation for the absence.
- No individual disclosure of participation in meetings of the board or the committees is provided.

1.2. Discharge of Directors

We generally advise to vote AGAINST the **discharge of executive directors and/or members of the management board** as well as **non-executive Directors and/or supervisory board members** if:

- A lack of oversight or actions which invoke shareholder distrust related to malfeasance or poor supervision i.e., operating in private interest or other interest that is not aligned with shareholder interest.
- Any legal action (e.g., civil/criminal) aiming to hold the board/management responsible for breach of trust in the past or related to currently alleged actions yet to be confirmed (and not only the fiscal year in question), such as price fixing, insider trading, bribery, fraud, and other illegal actions.
- The external auditors' report expresses reservations concerning the board's conduct of the company or reveals serious shortcomings in the exercise of board members' duties or deficiencies of the internal control system.
- Other serious shortcomings in relation to corporate governance where shareholders may believe there is a major risk to the company.
- Doubts on the accuracy of the company's disclosure of material information brought up by external stakeholders.
- The management refuses to implement a shareholder proposal that has been approved in a preceding general meeting.

⁵ Please see the appendix for the ICGN standards of independence.



- No regular consultation (at least every four years) on the remuneration system for the executive board (relating to discharge of non-executive directors).
- Non-compliance with material transparency standards: e.g., failure to permanently publish up-to-date profiles of non-executive members on the website, showing the criteria for presenting qualifications in connection with elections, articles of association and the composition of the committees by stating their members by name (relating to discharge of non-executive directors).
- A board amends the charter/ articles/ by-laws such that the effect may be to entrench directors or to significantly reduce shareholder rights.

1.3. Board Size

We generally advise to vote **AGAINST** management proposals relating to the **board size** if:

- The proposal aims to change the size of the board and the company is in a midst of a take-over, whereby the management proposal is meant as an anti-takeover measure.
- The proposal allows management to change the board size without shareholder approval.

1.4. Board Remuneration

1.4.1 Executive Directors

We generally advise to vote **AGAINST remuneration plans and respective remuneration reports for Executive Directors** if:

- The individual remuneration components are not disclosed in detail and by individual name of each director (salary, short- and long-term bonuses, options and pension programs and other benefits including hiring bonuses).
- The level of disclosure of the proposed remuneration policy is not sufficient for shareholders to make an informed decision and is not in line with best practice corporate governance standards.
- Information on remuneration-related management proposals were not made available to shareholders in a timely manner and therefore could not be analyzed sufficiently.
- The structure of the company's short-term incentive plan (STI) is not appropriate, places excessive focus on short term performance and does not consider shareholder value.
- The remuneration report does not sufficiently disclose the STI and long-term incentive (LTI) target achievement levels and does not individualise the remuneration paid, granted and/or vested
- Remuneration is deemed excessive and thus bears a significant cost for shareholders.
- The remuneration plan has increased drastically in comparison to the previous years without proper justification.
- Severance pay agreements are in excess of or not limited to (i) 24 months' pay or (ii) any more restrictive provision pursuant to local legal requirements and/or industry best practices.
- No bonus-malus or clawback system is in place, or this system does not affect the respective board members for at least three years after their leaving of the company.
- The remuneration plan contains a golden parachute, which could result in an enormous tax burden for the company as part of the pay-out or in excessive payments which would be detrimental to shareholders. We would usually expect a limit of the golden parachute to no more than three times of base remuneration.



Variable Remuneration

- Variable remuneration is linked to dividend payments.
- Variable remuneration is not geared to medium and long-term success criteria.
- Performance parameters to determine variable remuneration are solely tied to the share price.
- There is not enough disclosure available to evaluate how variable pay is linked to results and the performance criteria for the variable remuneration components are not published.
- Remuneration is not in line with performance, disproportionate, or incommensurate in relation to that of industry peers.
- Variable remuneration parameters are retrospectively adjusted (“back dating”).
- The remuneration system allows the use of adjusted operating performance measures.

Stock Option Plans

- Allotments and exercise terms of stock option plans or similar incentives are not disclosed.
- The performance criteria for reaching the exercise target of stock options plans are solely tied to the share price.
- The stock option plan is used as a collateral for a loan or in a margin account.
- The first exercise date for the stock option plan is earlier than three years.
- There is an option for unlimited increase in shares without shareholder approval.
- The plan allows for repricing without shareholder approval.
- The plan grants options on super-voting stock.
- The resulting dilution of existing shares by the stock option plan is more than: (a) 10% of outstanding shares for large capital corporations; or (b) 20% of outstanding shares for small-mid capital companies (companies having a market capitalization under five billion Euro) and for micro-capital companies (companies having a market capitalization of under one billion Euro).

1.4.2 Non-Executive Directors/ Supervisory Board

We generally advise to vote **AGAINST remuneration plans and respective remuneration reports for Non-Executive Directors/ supervisory board members** if:

- Documents (including general meeting documents, annual report) provided prior to the general meeting do not mention fees paid to non-executive directors and these are not disclosed in detail and by individual name of each director.
- Proposed amounts are excessive relative to comparable companies in the country or industry.
- The company intends to increase the fees excessively in comparison with industry practices, without providing adequate reasoning to justify the increase.
- The remuneration is linked to dividend payments.
- The plan allows for granting of stock options, performance-based equity remuneration (including stock appreciation rights and performance vesting restricted stock), or performance-based cash.
- The variable remuneration component accounts for substantially more than 50% of total remuneration.
- Members of the audit committee receive additional variable profit-related remuneration.
- Committee members receive additional remuneration which exceeds the fixed component.



- Remuneration plans for both non-executive and executive directors are bundled into a single resolution.

1.5. Board-related Shareholder Proposals

Independence

- 👤 We generally advise to vote FOR shareholder proposals requiring the **majority of the members of the board to be independent**.
- 👤 We generally advise to vote FOR shareholder proposals requiring the **remuneration, audit, nomination or other similar committee to be comprised of a majority of independent directors**.
- 👤 We generally advise to vote FOR shareholder proposals requiring the **separation of the roles of CEO and chair** if the company has not stated that the combined role will be on an interim basis and there are no adequate control mechanisms.
- 👤 We generally advise to vote FOR shareholder proposals requiring the **role of chair to be filled by an independent director**. We would, however, refrain from supporting the shareholder proposal if:
 - Two thirds of the board are independent, or majority in countries where employee representation is common practice; or
 - A designated, or a rotating, lead director, elected by and from the independent board members with clearly delineated and comprehensive duties exists; or
 - The company has at least 50 percent independent key committees.
 - And there are established, publicly disclosed, governance guidelines and director biographies/profiles.
- 👤 We generally advise to vote FOR shareholder proposals requiring to **remove directors due to lack of independence** if the company has not been able to provide evidence of the independence of the director, e.g., by reducing equity ownership in the company (if in excess of 20%).
- 👤 We generally advise to vote FOR shareholder proposals regarding the **nomination of independent directors with environmental or other sustainability-related expertise** if such an addition to the board provides added value.



Remuneration

- 👉 We generally advise to vote FOR shareholder proposals requesting the **establishment of a remuneration committee** if the board is of sufficient size.
- 👉 We generally advise to vote FOR shareholder proposals requesting **further clawback provisions** if it is deemed that the company does not yet have sufficiently strong provisions in place.
- 👉 We generally advise to vote FOR shareholder proposals requiring **shareholder approval for golden parachutes**.
- 👉 We generally advise to vote FOR shareholder proposals requesting to **incorporate sustainability/ESG metrics within the remuneration** structure.



2 Audit-Related Issues

We generally support management proposals for selection or ratification of independent auditors. However, we may advise to vote against management proposals e.g. if the company has suffered from serious accounting irregularities and we believe rotation of the audit firm is appropriate, or if fees paid to the auditor for non-audit-related services are excessive.

2.1 Audit Firms

We generally advise to vote **AGAINST audit-related management proposals** if:

- There are serious concerns about the accounts presented, audit procedures used, or audit opinion rendered.
- There is reason to believe that the auditor has rendered an opinion that is neither accurate nor indicative of the company's financial position.
- Name of the proposed audit firm and of the proposed lead auditor has not been published.
- The auditors are being changed without explanation.
- There are serious concerns regarding the independence of the audit firm, e.g., the external auditors have previously served the company in an executive capacity or can otherwise be considered affiliated with the company.
- The auditor was unable to prove significant fraud in the company.
- The same lead auditor has been appointed for more than 7 years.
- The disclosure of advisory services which have been performed by the auditor is insufficient for judging the auditor's independence.
- The audit fees have not been published separately from non-audit fees (especially advisory fees).
- The fees for non-audit services are excessive relative to the annual audit fees and the company does not provide adequate reasoning. This rule does not apply for services related to initial public offerings and mergers and acquisitions, as long as these are separately published.

We generally advise to vote **AGAINST appointment/re-appointment of statutory auditors** if:

- There are serious concerns about the statutory reports presented or the audit procedures used.
- There are serious concerns regarding any of the statutory auditors being appointed.
- There are serious concerns regarding the independence of the statutory auditors.

2.2 Audit Reports

We generally advise to vote **AGAINST the approval of audit reports** if:

- The information presented to the shareholders does not meet best practice corporate governance standards.
- The annual report was not made available sufficiently in advance of the general meeting.
- Important and requested information is not disclosed and/or there is no satisfactory response to legitimate requests for supplementary information.
- There are serious and verifiable failings in the statement of accounts.
- There are serious concerns regarding the audit procedures.
- The auditor's report is not unqualified i.e., the auditor identifies deficiencies.



3 Capital Structure Issues

Capital structure management proposals can relate to equity or debt issuances, share repurchases, stock splits as well as the underlying voting rights. We generally believe that there should be a limit on issuances. However, highly acquisitive companies, which are often found in the smaller cap space, might reasonably need higher capital flexibility, which we account for within our voting recommendations. Further, we believe that shareholders should have proportionate and equal shareholding rights.

3.1 Dividend Distribution

We generally advise to vote **AGAINST** the **dividend distribution** if:

- The pay-out ratio has been below 20% for two consecutive years without adequate reasoning.
- The pay-out ratio exceeds 100% (i.e., the company pays a dividend which impacts its book value) without adequate reasoning.
- The pay-out is excessive given the company's financial position.

3.2 Equity Issuances

We generally advise to vote **AGAINST** the **issuances of equity** if:

- All current approved issuances exceed 40% of currently issued capital even if they bear preemptive rights.
- The issuance exceeds 10% of currently issued capital and the new issuance bears no preemptive rights.
- The issuance bears no preemptive rights and all current approved issuances without preemptive rights including the new issuance exceeds 20%.
- The company issues **preferred shares without voting rights** and at least one of the following conditions apply:
 - The necessity of additional share capital to carry out the company's business has not been approved by the non-executive board.
 - Preferred shareholders do not receive a meaningfully higher dividend rate of at least 10%.
 - The company does not provide specific information on the anticipated use of the capital, dividend, conversion or any other rights of the stock that would be deemed beneficial for shareholders.
 - The equity issuance has the purpose of being used as anti-takeover measure (e.g., poison pills, see 4.2 for further information).
- The company issues stock with multiple voting rights or other control enhancing rights.

We generally advise to vote **AGAINST** the **creation of blank check preferred stock** if:

- It will be used as an anti-takeover measure.
- It is created for financing purposes.



- 👉 We generally advise to vote FOR shareholder proposals requesting shareholder **approval for blank check preferred stock creation**.

3.3 Debt Issuances

We generally advise to vote AGAINST **debt issuances for restructuring** if the restructuring would negatively affect shareholder rights.

We generally advise to vote AGAINST **convertible debt issuances** if the conversion guideline does not meet equity issuance requirements.

3.4 Share Repurchases

We generally advise to vote AGAINST **share repurchases** if:

- It does not give equal treatment to all shareholders.
- The company is in financial distress and no adequate reasoning for the repurchase program was provided.
- It will be used as an anti-takeover measure.
- The repurchase limit exceeds 10 percent of outstanding issued share capital.
- The duration exceeds 5 years, or the duration set by applicable law, regulation, or best practice corporate governance standards is not followed.
- Pricing provisions and safeguards are deemed to be unreasonable considering industry best practice.
- There is no safeguard against selective buybacks.

3.5 Stock Splits

We generally advise to vote AGAINST **stock splits** if:

- We assess it to not have the shareholders benefit in mind.
- It is likely to affect the ability to trade shares and/or has a negative impact on the share value.

3.6 Shareholder Voting Rights

We generally advise to vote AGAINST management proposals to **remove restrictions for the management or limit the rights of shareholders** to call for special meetings, amend the bylaws or act by written consent.

We generally advise to vote AGAINST the **adoption of cumulative voting**.

We generally advise to vote AGAINST the **creation or authorization of additional shares of super-voting stock or stocks with unequal voting rights**.

- 👉 We generally advise to vote FOR shareholder proposals requesting **equal voting rights**.
- 👉 We generally advise to vote FOR shareholder proposals requesting **confidential voting rights**.



4 Company Control Issues

Company control management proposals can relate to mergers and acquisitions as well as specific anti-takeover measures. We generally recommend voting against mergers and acquisitions if information is missing or the transaction does not seem to be in the interest of shareholders. We generally recommend voting against anti-takeover measures if shareholders are not given the final decision on a takeover management proposal or offer.

4.1 Mergers & Acquisitions

We generally advise to vote **AGAINST mergers and acquisitions** if:

- Not enough information is available and/or provided to shareholders in time to make an informed decision.
- Voting rights, earnings distribution or any other shareholder rights are altered disproportionately and if the structure following the merger or acquisition does not display good governance.
- The merger appears not to be in the best interest of shareholders.
- The value received by the target shareholders (or paid by the acquirer) does not seem to be reasonable.
- There seems to be a conflict of interest where insiders are benefiting from the transaction disproportionately and inappropriately as compared to non-insider shareholders.
- The prevailing legislation and rules at the place of business or corporate governance of the newly combined entity significantly diminish the rights of shareholders.
- There are serious concerns regarding the strategic rationale behind the deal.

4.2 Anti-Takeover Measures

We generally advise to vote **AGAINST** anti-takeover measures on a general level if:

- Shareholders are not given the ultimate decision on any management proposal or offer.
- They give a government organization or other relevant bodies an implicit “golden share” in the company.

We generally advise to vote **AGAINST poison pill plans** if:

- It does not have a reasonable offer clause and management has not provided adequate reasoning for its use.
- Not enough information is available and/or provided to shareholders in time to make an informed decision.



5 Operational and Business Issues

Management proposals in this section can relate to various aspects, e.g. updating of charters or quorum requirements. While we generally believe that operational and business aspects should be in the discretion of management teams, we would only recommend voting for management proposals in this area with sufficient information and reasonable rationales.

5.1 Fiscal Term and Reimbursements

We generally advise to vote **AGAINST changing the company's fiscal term** if there are concerns that the reason for the change is to postpone the annual general meeting.

5.2 Company Documents

We generally advise to vote **AGAINST general updates of charters, articles of associations or bylaws** if:

- The company is unable to provide information on the impact the changes would have on shareholder rights.
- The amendment would pose a risk for shareholder rights and interest.







6 Environmental and Social Issues

We value the increase of sustainability-related shareholder proposals at annual general meetings. These often request greater disclosure regarding specific sustainability issues as well as changes in company behaviour. Therefore, additional to governance issues, we consider environmental and social issues in our voting recommendations.

As with governance aspects, we understand that environmental and social issues as well as their materiality vary across different industries, regions, and company sizes. We take this variety into consideration within our provision of voting recommendations. We also aim for consistency of our voting recommendations with political ambitions in social and environmental matters.

6.1 Shareholder Proposals on Sustainability Disclosure

We generally assess shareholder proposals requesting increased sustainability disclosure regards to company's existing levels of public disclosure and materiality of the requested information regarding the company's business, sector, existing legal requirements and others.

-  We generally advise to vote FOR shareholder proposals requiring **publication of a non-financial/sustainability report**; however, not in cases where companies already include relevant sustainability information in other means of communications and the level of information is deemed sufficient.
-  We generally advise to vote FOR shareholder proposals requesting increased **disclosure of companies' political participation, lobbying and financial contributions**.
-  We generally advise to vote FOR shareholder proposals requesting increased **disclosure on specific emissions or environmental metrics**; however, not in cases where the proposal would be unproportionally burdensome on the company in terms of costs and will not be beneficial for shareholders.
-  We generally advise to vote FOR shareholder proposals requiring increased **disclosure on animal testing regarding the numbers, the types of animals and the types of tests**.



6.2 Shareholder Proposals on specific Environmental and Social Issues

- 👉 We generally advise to vote FOR shareholder proposals requesting the **definition of a climate change strategy** and/or the **definition of science-based emission reduction targets** if the company has not shown sufficient initiative to address this concern.
- 👉 We generally advise to vote FOR shareholder proposals requesting **disclosure of long-term business risks related to climate change**.
- 👉 We generally advise to vote FOR shareholder proposals requiring **payment of sustainable living wages and protection of children against forced labor** if the company does not have sufficient policies and measures in place complying with international labor standards and initiatives (e.g., the International Labor Organization).
- 👉 We generally advise to vote FOR shareholder proposals requesting **policies and other measures to address diversity** if the company does not have such a policy and does not disclose its measures within this area.



Appendix

ESG Committee

The ESG Committee of Berenberg Wealth and Asset Management oversees the Proxy Voting Policy, its updates and its implementation. This Policy are reviewed regularly and updated as necessary to consider new regulation, emerging issues and standards. If issues arise that have not been specifically covered in this guideline, the ESG Committee will provide its view on a case-by-case basis.

The ESG Committee consists of the following members of Berenberg Wealth and Asset Management:

- Head of Investments & Chief Investment Officer Equities
- Head of Sales
- Chief Investment Strategist & Head of Multi Asset
- Head of ESG Office
- Head of Defensive & Total Return Strategies
- Head of Sales Asset Management Continental Europe (ex Germany)
- Head of Institutional Business Development
- Senior Portfolio Manager Equities



ICGN Independence Criteria (Principle 2.6)⁶

The board should identify in the annual report the names of the directors considered by the board to be independent and who are able to exercise independent judgement free from any external influence. The board should state its reasons if it determines that a director is independent notwithstanding the existence of relationships or circumstances which may appear relevant to its determination, including if the director:

- is or has been employed in an executive capacity by the company or a subsidiary and there has not been an appropriate period between ceasing such employment and serving on the board.
- is or has within an appropriate period been a partner, director or senior employee of a provider of material professional or contractual services to the company or any of its subsidiaries.
- receives or has received additional remuneration from the company apart from a director's fee, participates in the company's share option plan or a performance-related pay scheme, or is a member of the company's pension scheme.
- has or had close family ties with any of the company's advisers, directors or senior management.
- holds cross-directorships or has significant links with other directors through involvement in other companies or bodies.
- is a significant shareholder of the company, or an officer of, or otherwise associated with a significant shareholder of the company.
- is or has been a nominee director as a representative of minority shareholders or the state.
- has been a director of the company for such a period that his or her independence may have become compromised. There is no fixed date that automatically triggers lack of independence; the norm can differ in varying jurisdictions between 8-12 years after which a non-executive director may no longer be deemed independent. Companies should be guided by local norms, and directors with longer tenure should not be classified as independent in terms of committee appointments or other board functions requiring independence.

⁶ Retrieved from "ICGN Global Governance Principles" <https://www.icgn.org/sites/default/files/2022-04/ICGN%20Global%20Governance%20Principles%202021.pdf>



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