



Blue Sky Group

## 2020 Q4 - Quarterly Proxy Voting Report

20 January 2021

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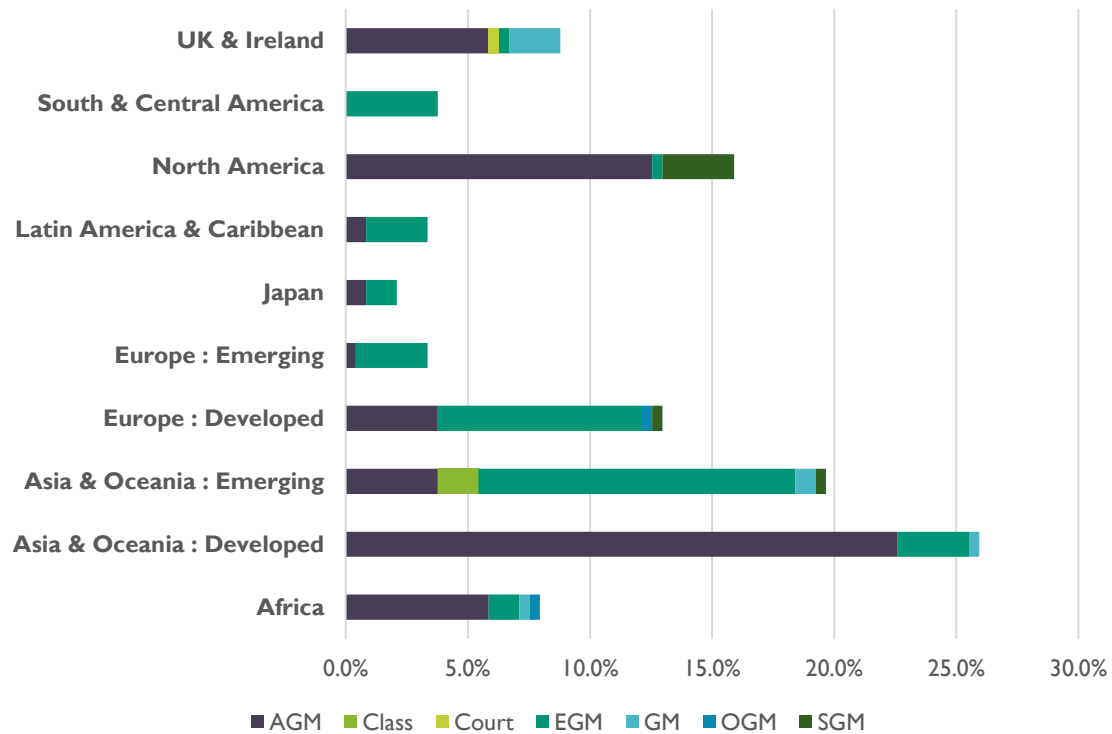
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- Blue Sky Group has developed and implemented policies and procedures to ensure that its fiduciary obligation to vote proxies in the best interest of its clients is fulfilled.
- We actively exercise our rights as an owner of shares to promote responsible and sustainable practices in investee companies.
- We report on our Proxy Voting activities on a quarterly basis in keeping our commitments to our clients as well as the market reporting expectations.
- We have developed a Proxy Voting Policy, setting out our expectations for good corporate governance in the companies in which we invest. The policy has been developed based on global best practice guidelines such as the [ICGN Global Corporate Governance Principles](#) of Corporate Governance, the [G20/OECD Principles of Corporate Governance](#), the [UN Guiding Principles on Business and Human Rights](#) and the [UN Sustainable Development Goals \(SDGs\)](#).
- All data comes from [Minerva Analytics](#), our Proxy Voting service provider.

## Vote Summary by Region

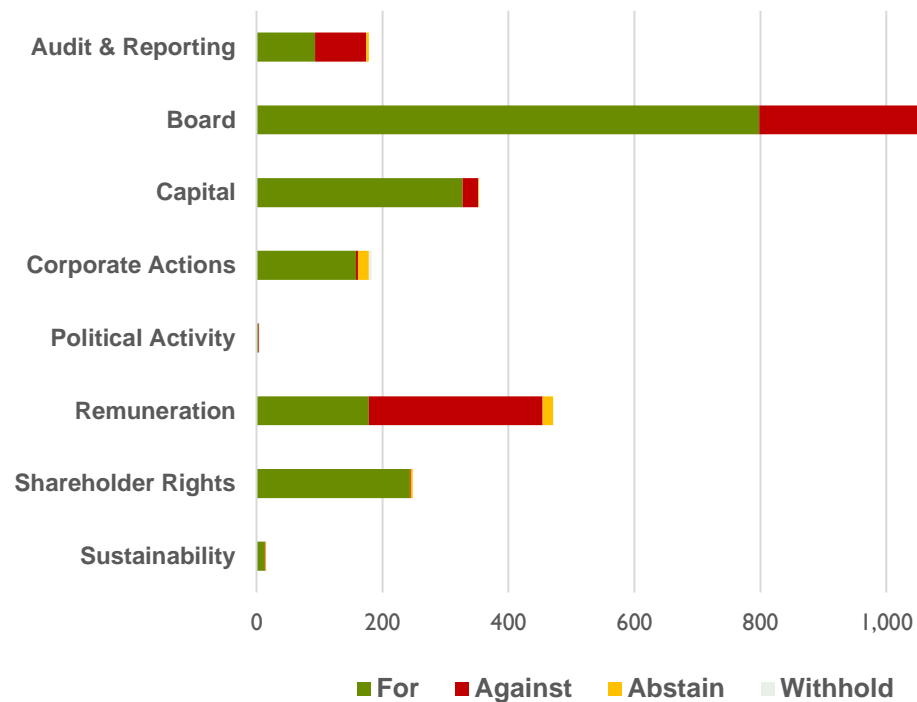
### Vote Summary - 2020 Q4



Region	Event Type							Total
	AGM	Class	Court	EGM	GM	OGM	SGM	
Africa	14	0	0	3	1	1	0	16
Asia & Oceania : Developed	54	0	0	7	1	0	0	62
Asia & Oceania : Emerging	9	4	0	31	2	0	1	42
Europe : Developed	9	0	0	20	0	1	1	31
Europe : Emerging	1	0	0	7	0	0	0	8
Japan	2	0	0	3	0	0	0	5
Latin America & Caribbean	2	0	0	6	0	0	0	8
North America	30	0	0	1	0	0	7	38
South & Central America	0	0	0	9	0	0	0	9
UK & Ireland	14	0	1	1	5	0	0	20
<b>Total</b>	<b>135</b>	<b>4</b>	<b>1</b>	<b>88</b>	<b>9</b>	<b>2</b>	<b>9</b>	<b>239</b>

## Vote Summary by Resolution Category

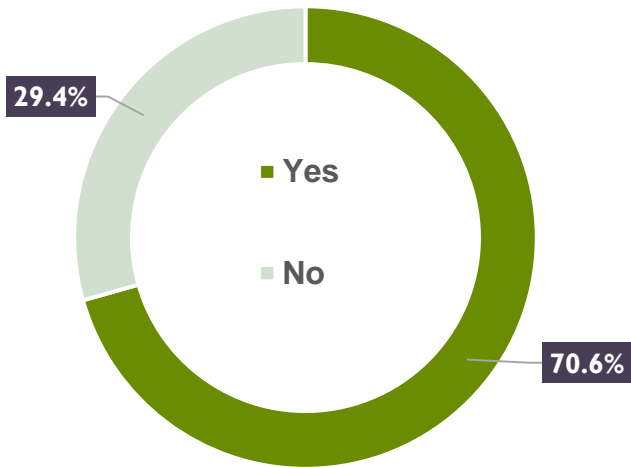
Vote Summary - 2020 Q4



Resolution Category	Votes				Total
	For	Against	Abstain	Withheld	
Audit & Reporting	93	81	4	0	178
Board	798	260	7	19	1,084
Capital	327	25	1	0	353
Corporate Actions	158	3	17	5	183
Political Activity	3	1	0	0	4
Remuneration	178	276	17	0	471
Shareholder Rights	243	2	3	0	248
Sustainability	13	1	1	0	15
<b>Total</b>	<b>1,813</b>	<b>649</b>	<b>50</b>	<b>24</b>	<b>2,536</b>

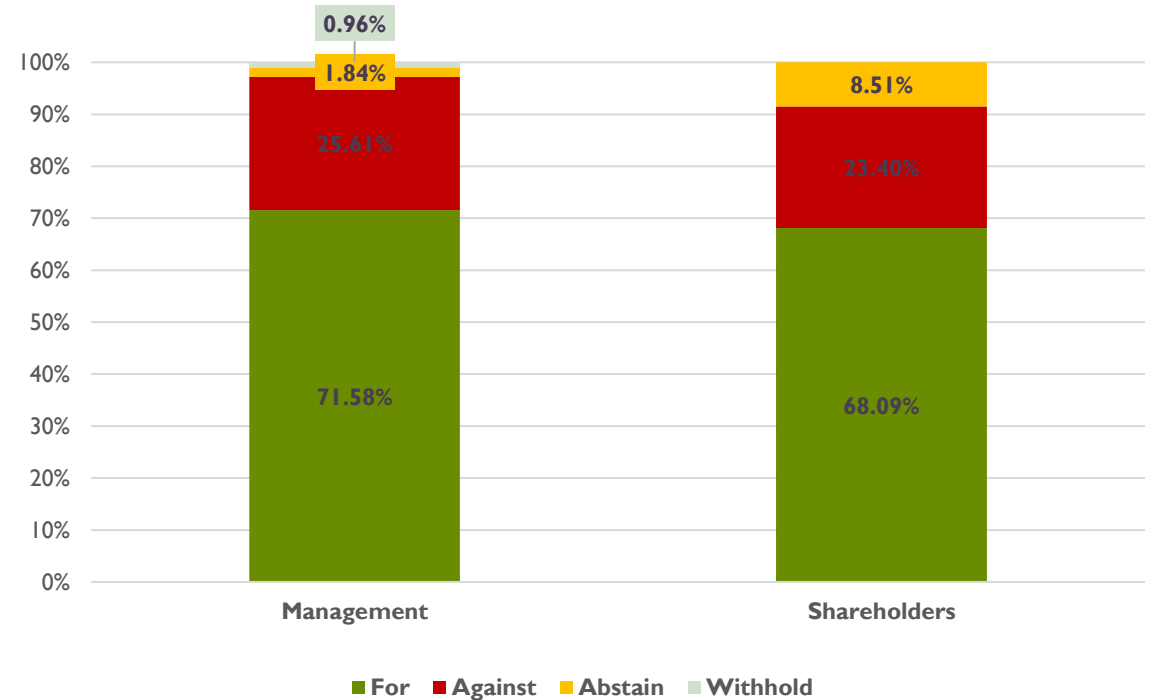
- During the last quarter of 2020, we voted on 239 events and 2,536 resolutions.

### Management Recommendation Followed



Votes with Management	1,791
Votes Against Management	745

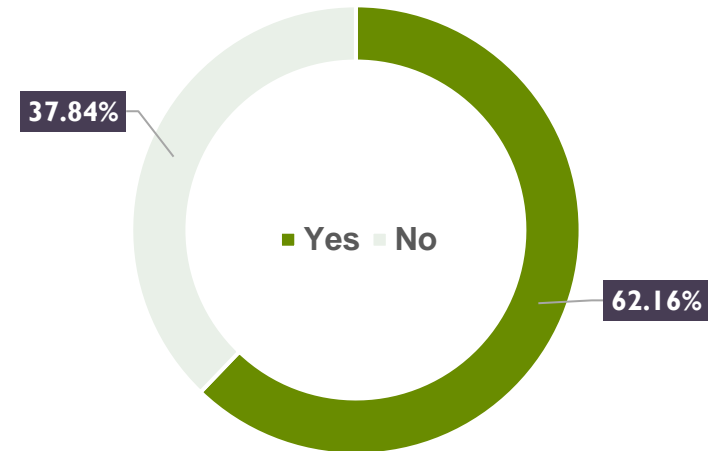
### Summary Votes by Proposer



- We use the Sustainable Development Goals (SDGs) to identify Environmental, Social and Governance risks and opportunities. We have identified the below five SDGs themes as priorities.



### SDGs Referenced

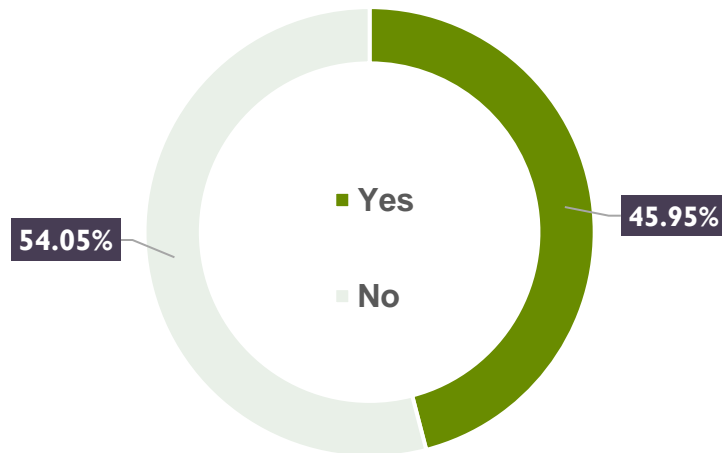


▪ As part of the Data collection and Research process, Minerva identifies those companies that have referenced the SDGs in their disclosures. In the last quarter of 2020, 62.2% of the companies that held events that we voted on have a material reference to the SDGs.



- We expect companies to have a strategy for reducing carbon emission, to be clear about targets set and to report on the progress achieved.
- Generally, we support proposals that enhance disclosure and provide shareholders with a better view of the company’s practices. To this end, we support the adoption of globally recognised reporting frameworks such as [Task force on Climate related Financial Disclosures \(“TCFD”\)](#).

### TCFD Referenced



▪ Minerva has identified that approximately 46% of the Companies we voted on between 1 Oct 2020 and 31 Dec 2020 have made specific reference to the TCFD framework and alignment with the disclosure pillars.





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Company	Sector	Incorporated	Event: AGM	Resolutions	Proposed by
Aena S.A.	Travel & Leisure	Spain	29 Oct 2020	11 - Shareholder proposal regarding climate change 12- To amend the Articles of Association to add Article 50 Bis	Shareholders

The principal activities of the Company are managing general interest airports and heliports in Spain.

Aena shareholders voted in favour of an action plan on climate change at the Spanish airport operator’s AGM following pressure from activist investor Chris Hohn, founder of The Children’s Investment Fund (TCI).

Aena adopted Say On Climate shareholder resolutions proposed by TCI requiring Aena to publish a multiannual comprehensive climate transition action plan and to put this to an advisory shareholder vote on an annual basis, and to amend its bylaws accordingly so a vote occurs automatically every year. Under the proposals, Aena will present its climate action plan for approval at the AGM in 2021 and then progress reports at each subsequent meeting.

The Say on Climate resolutions at the Company received a high level of support from investors:

- 98.15% of shareholders voted in favour of holding an annual advisory vote on Aena’s Climate Action Plan; and
- 96.52% of shareholders voted in favour of amending the company’s bylaws accordingly.

We supported the Say on Climate resolutions as shareholder would benefit from the regular presentation of the Company’s action plan on climate changes risks and opportunities as well as having the opportunity to raise concerns regarding the Company’s plan and progress through an advisory vote at the AGM.

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Company	Sector	Incorporated	Event: AGM	Resolution	Proposed by
Crown Resorts Ltd	Travel & Leisure	Australia	22 Oct 2020	4 - To adopt the remuneration report for the year ended 30 June 2020	Management

The Company provides gaming and entertainment services. Crown Resorts Ltd received a first strike on the remuneration report at its 2020 AGM.

The Company is facing a New South Wales inquiry into whether the Company is fit and proper to hold a gaming license for its planned Sydney casino and investigations from AUSTRAC, Australia's financial crime watchdog, into alleged money laundering at its casinos and failures in governance and risk management. Deputy Chair John Horvath stepped down from the board after receiving high dissent at the meeting. Further, the remaining two directors (Jane Halton and Guy Jalland) standing for election at the AGM, also received a high level of opposition from shareholders.

The dissent on the resolutions was driven by shareholders dissatisfaction with the performance of the Board and Company in the context of the regulatory inquiries. The vote results are particularly significant when considering major shareholder Consolidated Press Holdings (CPH), the private investment vehicle

of former board member James Packer, holds 36.8% of the shares. Prior to the AGM, Crown Resorts terminated two agreements with CPH, including the sharing of confidential information with James Packer.

Under Australia's two strike system, if Crown Resorts receives a second strike (25% against or more) on the remuneration report next year, shareholders will get to vote on a board spill resolution which could enable them to remove the entire board.

We did not support the remuneration report given the lack of performance conditions in the variable compensation and the overall poor level of disclosure on the nature of the targets used under the bonus scheme.

We abstained on Jane Halton due to her membership on the Audit Committee and the high level of non-audit fees paid to the external auditor.

# Glossary

## ■ Meeting Types

- **AGM - Annual General Meeting:** meeting normally required by law taking place on an annual basis.
- **Class - Class Meeting:** shareholders holding a class of share are required to make a decision binding on the company.
- **Court - Court meeting:** shareholders can either order an annual meeting or a special meeting.
- **EGM - Extraordinary General Meeting:** meeting is required to conduct business of an urgent or extra-ordinary nature. Such business may require a special quorum or approval level.
- **GM - General Meeting:** term often used interchangeably with the term EGM,OGM, SGM, depending on the term used by the company in question.
- **OGM - Ordinary General Meeting:** term often used interchangeably with the term EGM,GM, SGM, depending on the term used by the company in question.
- **SGM - Special General Meeting:** term often used interchangeably with the term EGM,GM, OGM, depending on the term used

## ■ Vote Types

- **Abstain - Shareholder's vote not in favour or against the proposed resolution, but shareholder demonstrates lack of confidence towards the rationale behind the resolution.**
- **Against - Shareholder's vote against the resolution proposed.**
- **For - Shareholder's vote in favour of the resolution proposed.**
- **Withhold - For North America auditor and director election resolutions, shareholder vote not in favour of the resolution proposed.**

# DISCLAIMER

## ■ About Minerva

Minerva helps investors and other stakeholders to overcome data disclosure complexity with robust, objective research and voting policy tools. Users can quickly and easily identify departures from good practice based on their own individual preferences, local market requirements or apply a universal good practice standard across all markets.

For more information please email [hello@minerva.info](mailto:hello@minerva.info) or call + 44 (0)1376 503500

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