



# Troy Asset Management Limited

Engagement and Voting Disclosure for 2022

Date: November 2023



# Engagement and Voting Disclosure for 2022

## 1. Introduction

Troy Asset Management Limited (“Troy”) is an asset management company providing investment management services to a number of collective investment schemes, investment trusts and segregated accounts. As an investment management firm, Troy recognises its obligations as a steward of its investors’ capital and has therefore developed a Responsible Investment & Stewardship Policy which sets out our approach to responsible investing; including (i) Troy’s policy on engagement and how we seek to engage with companies; and (ii) our policy on voting. Troy’s Responsible Investment & Stewardship Policy is available on our website.

This disclosure document seeks to provide transparency to investors in relation to Troy’s voting behaviour and the impact of engagements with companies on our voting behaviour. The document is also intended to meet our regulatory requirements to disclose to investors on an annual basis how Troy’s engagement policy has been implemented, as set out in COBS 2.2B.5R sourcebook of the FCA’s Handbook.

## 2. A general description of Troy’s voting behaviour

Troy considers voting to be an important part of its active ownership activity and investment process. Our aim is to use voting rights to safeguard our investors’ interests. We seek to instruct votes on all resolutions on behalf of clients and investors for whom we have voting authority. Following careful analysis of each AGM item, votes are cast to reflect what Troy believes to be the best long-term interests of shareholders.

Troy has not felt that any single, universally applied, prescriptive voting policy can adequately reflect these interests but rather chooses to follow a set of evolving guidelines. A summary of the firm’s voting behaviour is reported every quarter in the responsible investment report. All voting records are maintained and non-sensitive data can be made available to investors on request. The following table summarises our voting behaviour for 2022.



DESCRIPTION	2022
Number of votable meetings	108
Number of meetings voted in	108
Number of meetings with at least one vote against management recommendations, withheld or abstained	38
Number of meetings with at least one vote against management recommendations	31
Number of votable proposals	1,738
Number of proposals voted	1,738
Number of votes with management	1,620
Number of votes against management recommendations	118

### 3. Troy’s use of the service of proxy advisors

Troy does not outsource voting decisions, its proxy voting policy or engagements to a third party. Institutional Shareholder Services (ISS) is used for proxy research as well as to administer proxy voting. Each proxy vote is considered by Troy’s Investment Team and a decision is made on a ballot-by-ballot basis. Troy’s policy ensures that our voting decisions remain independent from the recommendation of any proxy advisor. Troy’s internal research, voting guidelines and ISS research help support this process. Votes are not automatically cast in line with ISS’s recommendations. For example, in 2022 4.8% of the votes cast were different to the proxy advisor’s recommendation.

As part of Troy’s due diligence of ISS, their Code of Ethics is reviewed to consider any potential conflicts of interest.

We aim to review the appointment of any service provider on a regular basis.

### 4. Summary of how Troy has cast votes in general meetings of investee companies

Through its website, Troy discloses information on how votes have been cast in general meetings of companies invested in on behalf of our clients. This also highlights those votes which are deemed to be ‘significant’. We consider votes to be ‘significant’ if: (i) Troy holds a material stake in the company (greater than 5% of the shares in issue); (ii) where a vote on the subject matter of any resolution represents an escalation of a previous engagement (usually within the previous 24 months); or (iii) any other material ESG matters are voted on.



## 5. An explanation of Troy’s most significant votes

COMPANY	DEEMED SIGNIFICANT	MEETING TYPE	MEETING DATE	SIGNIFICANT RESOLUTIONS	EXPLANATION
Alphabet	Other Material ESG	Annual	01/06/2022	Item 3 - Amend Omnibus Stock Plan	We voted against the addition of shares to the company's compensation plan total, this is significant on the grounds of being a material ESG issue.
American Express Company	Engagement	Annual	03/05/2022	Item 3 - Advisory Vote to Ratify Named Executive Officers' Compensation Item 4 - Require Independent Board Chairman	Item 3 - An engagement had been conducted in the preceding 24 months in relation to remuneration. This item was in relation to ratification of executive remuneration. It was decided that a vote against management was warranted and reflects an escalation of the unresolved issue of remuneration raised during our engagement with the company. Item 4 - An engagement had been conducted in the preceding 24 months in relation to the separation of Chair and CEO roles at the company. We supported a shareholder resolution requiring an independent Chairman at the company, reflecting our preference for the roles to be separated.
Meta	Other Material ESG	Annual	25/05/2022	Item 5 - Require an Independent Board Chair Item 8 - Report on Community Standards Enforcement Item 11 - Report on Child Sexual Exploitation Online Item 13 - Report on Lobbying Payments and Policy Item 15 - Report on Charitable Contributions	We supported five shareholder resolutions that pertain to material ESG issues that Troy deems significant, those include a proposal requiring an independent Board Chair, report on the risks of online child sexual exploitation and report on platform misuse.



Nestle	Other Material ESG	Annual	07/04/2022	Item 4.1a - Re-elect Paul Bulcke as Director and Board Chairman	We voted against the re-election of Paul Bulcke as Chairman of Nestle, this is significant on the grounds of being a material ESG issue.
PayPal	Other Material ESG	Annual	02/06/2022	Item 1.c - Elect Director John J. Donahoe	We voted against the re-election of John J. Donahoe as Chairman of Paypal, this is significant on the grounds of being a material ESG issue.
Unilever	Engagement and Other Material ESG	Annual	04/05/2022	Item 2 - Approve Remuneration Report Item 3 - Re-elect Nils Andersen as Director	Item 2 - An engagement had been conducted in the preceding 24 months in relation to remuneration. This item was seeking approval for the remuneration policy, a vote against management was decided to be warranted and reflects an escalation of the unresolved issue of remuneration and incentives raised during our engagement with the company. Item 3 - We voted against the re-election of Nils Anderson as Chairman of Unilever, this is significant on the grounds of being a material ESG issue and reflects the escalation of an engagement relating to board oversight and effectiveness.

For further detail in relation to the specifics of each item, please see the results from the relevant company’s meeting, available on their website.