



VOTING POLICY

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1. INTRODUCTION

As a Responsible Investor, ILIM adopts an Active Ownership approach to promote better corporate behaviour in investee companies in terms of sustainability and management of Environmental, Social and Governance risks. ILIM exercises voting rights and constructively engages with investee companies, encouraging better standards and management processes covering material ESG risks.

This Policy outlines ILIM's approach to Voting and is written in accordance with the Shareholder Rights Directive 2017/828 (SRD II) amending Directive 2007/36 (SRD I). The Shareholder Rights Directive 2017/828 (SRD II) ("the Directive") was transposed into Irish law by the European Union (Shareholders' Rights) Regulations 2020 (S.I. No. 81 of 2020). This policy was previously incorporated in ILIM's Responsible Investment Policy.

2. SCOPE

This policy applies to funds managed by ILIM on behalf of its clients where those clients have delegated to ILIM the discretion to exercise the voting rights for shares they beneficially own. ILIM has a fiduciary duty to vote such shares in the clients' best interest and in a manner which achieves the best economic outcome for their investments. The policy describes how ILIM integrates voting into its investment strategy as voting is a key component of ILIM's Responsible Investment approach.

3. ACTIVE OWNERSHIP

ILIM believes that investors, whether working individually or collectively, have the ability to influence the behaviour of investee companies, helping to reduce portfolio risk and delivering more sustainable long term outcomes for clients. ILIM recognises and adheres to the principles of active ownership, believing in constructive engagement and exercising voting rights to promote stronger corporate governance and better management of ESG risks, in investee companies.

Voting enables ILIM to voice opinions to a company on a broad range of topics and is a way of encouraging boards to listen to and address investor concerns. ILIM considers voting to be an important part of its oversight role and integral to both the investment process and its overall active ownership and stewardship approach.

4. VOTING

ILIM is an engaged asset manager, voting the shares of companies for which it has proxy-voting authority with the exception of those countries where voting is logistically difficult or where the costs are disproportionate relative to the size of the holding, typically small-cap holdings.

ILIM has adopted ILIM's Global Proxy Voting Guidelines, detailing ILIM's considerations and expectations in relation to ESG matters and related voting decisions. These guidelines set out the criteria by which ILIM's proxy voting advisor, currently Institutional Shareholder Services (ISS), will consider resolutions and make voting recommendations on ILIM's behalf. These guidelines build on the ISS SRI and Climate Change Proxy Voting Guidelines, which are considered progressive from a voting perspective.

ILIM's Proxy Voting Guidelines apply to investee companies in all markets and, in general, ILIM votes in line with ISS' policy recommendations given ISS' SRI and Climate Proxy Voting Guidelines present progressive voting positions on a range of ESG issues. There are areas where ILIM has bespoke considerations or expectations which are different from the standard recommendations of ISS' SRI and Climate Proxy Voting Guidelines, including those in relation to board accountability for climate change and board diversity. For more details, see ILIM's Proxy Voting Guidelines.

The services provided by ISS include application of the ILIM Proxy Voting Guidelines, including generating voting recommendations, vote execution and reporting. ISS supports ILIM in monitoring the performance of companies' boards in relation to ESG issues in relation to voting recommendations.

ILIM reserves the right at all times to vote on any matter, even if this is contrary to the recommendations of ISS. This situation may arise, for example, where ILIM is actively engaging with a company and has an agreed course of action that would require a vote on a specific matter which may be contrary to the default recommendation of ISS.

ILIM generally votes in favour of shareholder proposals that seek to manage risks and opportunities related to ESG issues and which promote good corporate citizenship. The following considerations are included:

- Where the proposal is well framed and reasonable and
- Where the adoption of the proposal would have a positive or negative impact on the company's short-term or long-term share value.

For more information in relation to ILIM's approach to voting on shareholder proposals, see ILIM's Global Proxy Voting Guidelines.

Securities lending is conducted on behalf of clients in line with the clients' investment policies. ILIM retains a right of recall of stocks on loan with counterparties for voting or other reasons. In addition, the Responsible Investment Team can request that securities are excluded from the stock lending programme. Such requests will be reviewed and authorised, where appropriate, by the Chief Investment Officer.

ILIM will publish annually, on its website, an explanation of the most significant votes taken, a disclosure covering the use of external proxy advisers and information on votes cast

5. GOVERNANCE

Responsible Investment Team

The Active Ownership program is led by ILIM's Responsible Investment Team ("RI Team"). The team is responsible for overseeing and implementing the Voting Policy, including monitoring voting implementation undertaken on ILIM's behalf by ISS and updating the ILIM Global Proxy Voting Guidelines where appropriate. The Responsible Investment Team reports on voting activity to the Responsible Investment Governance Committee which is chaired by ILIM's Head of Responsible Investing. ILIM's Responsible Investment Team reviews and monitors adherence to this policy, including the consistency with this policy to votes cast by ISS on behalf of ILIM.

ILIM Board

- The ILIM Board of Directors is responsible for approving updates to this Voting Policy annually or more frequently as required.

Responsible Investment Governance Committee ("the Committee")

The Responsible Investment Governance Committee (the Committee) reviews and makes recommendations on changes to this Voting Policy to the Board annually, or more frequently if required. The membership of the Committee and its terms of reference are available on request.

A report on Responsible Investment activity is provided on a quarterly basis to the ILIM Executive Management Team by members of the RI Team.

The Committee is responsible for the ILIM Global Proxy Voting Guidelines, and these will be reviewed annually. Any material changes to the guidelines will be approved by the Committee and notified to the Board.

6. CONFLICTS OF INTEREST

As a MiFID authorised firm, ILIM is required to take all appropriate steps to identify, manage or prevent potential or actual conflicts of interest that arise when providing its services. In ILIM's engagement with investee companies, and in making voting decisions, any potential or actual conflicts that arise will be managed in accordance with ILIM's Conflicts of Interest policy. ILIM will abide by the principles of treating its clients fairly and dealing honestly and professionally with all stakeholders. ILIM's Conflicts of Interest Policy is available on request.

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