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March 2024

Man

Annual Review 2023

Stewardship: Proxy Voting and Engagement

INTELLIGENT RI

2023 in Numbers

In 2023, Man Group:

Voted at
6,533
meetings

Voted on
68,453
resolutions

Opposed more than
12,177
resolutions globally

Voted against management at
63.13%
of meetings

Engaged with
77
companies

Supported
82.80%
of environmental-related shareholder resolutions

Most common topic of engagement: Human Rights

Voting & Engagement Highlights

- We voted against management on at least one agenda item at **63%** of meetings, an increase from 48% in 2023. The primary reason for the increased opposition was the strengthening of our custom voting policy, in three key areas: **climate**, including say-on-climate resolutions, **diversity** and **human rights**.
- We continued to promote good corporate governance and high ESG (Environmental, Social and Governance) standards with the application of our Global Proxy Voting Policy, voting in favour of **83%** of environmental-related and **68%** of social-related shareholder proposals.
- As a result of our voting record, we were ranked by ShareAction, in their recent report *Voting Matters 2023*, as the **ninth highest** out of 69 asset managers for supporting resolutions on environmental and social matters[1].
- The 77 companies engaged on ESG issues (51 direct engagements and 27 engagements in collaboration with other shareholders; one company was engaged both directly and collaboratively) covered 17 countries. The most common topic of engagement was **Human Rights**, with **Climate**, **Compensation**, **Health** and **Biodiversity** being other key areas of discussion.
- In 2023, our focus was on several high profile and deep engagements, including our work in relation to shareholder resolution co-filings. With this being more resource and time intensive, it had the effect of decreasing our overall number of engagements for the year, but we are aware that this is a way for us to exert more influence where we see improvement on sustainability issues as crucial.
- Our continued progress in the collaborative engagement space is celebrated with Man Group's Stewardship team winning the Environmental Finance award for the first institutional-investor-led climate resolution in Japan, working alongside an investor group co-ordinated by the Australian Centre for Corporate Responsibility ('ACCR').

Environmental Finance
Sustainable Investment Awards
2023 Winner
ESG engagement initiative of the year – Asia

1. Source: ShareAction, Voting Matters 2023 report. Awards and/or ratings are for information purposes only and should not be construed as an endorsement of any Man Group company nor or of their products or services. Please refer to the websites of the sponsors/issuers for information regarding the criteria on which the awards/ratings are determined.

Voting

Voting overview

Meetings	Number	Percentage
Total	6,656	–
Voted*	6,533	98.15%
Unvoted	3	0.05%
Meetings with at least 1 vote against management	4,124	63.13%

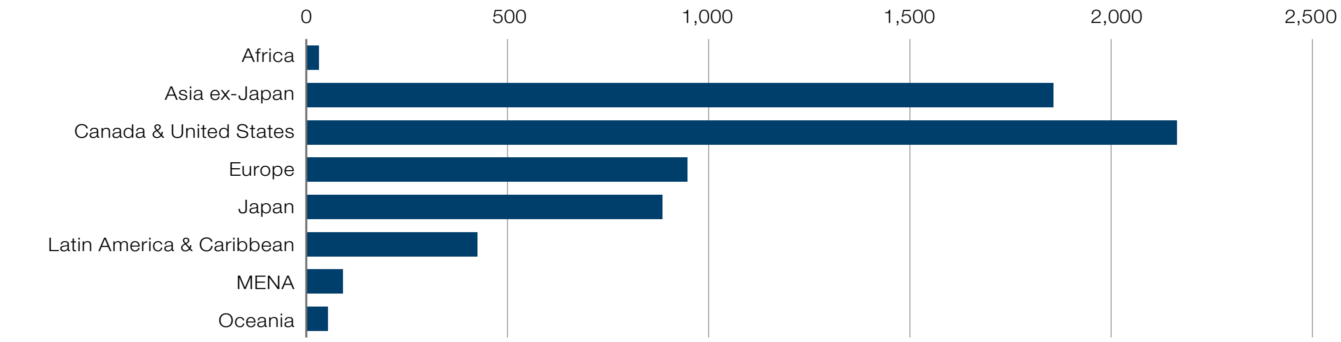
Ballots	Number	Percentage
Total	29,215	–
Voted*	28,849	98.75%
Unvoted	48	0.16%

*This document includes firm-level engagement conducted by Man Group's Stewardship team. Excludes selective and active company engagement at the sub-group level.
**We only conduct proxy voting and engagements on assets where we are contractually allowed to do so.

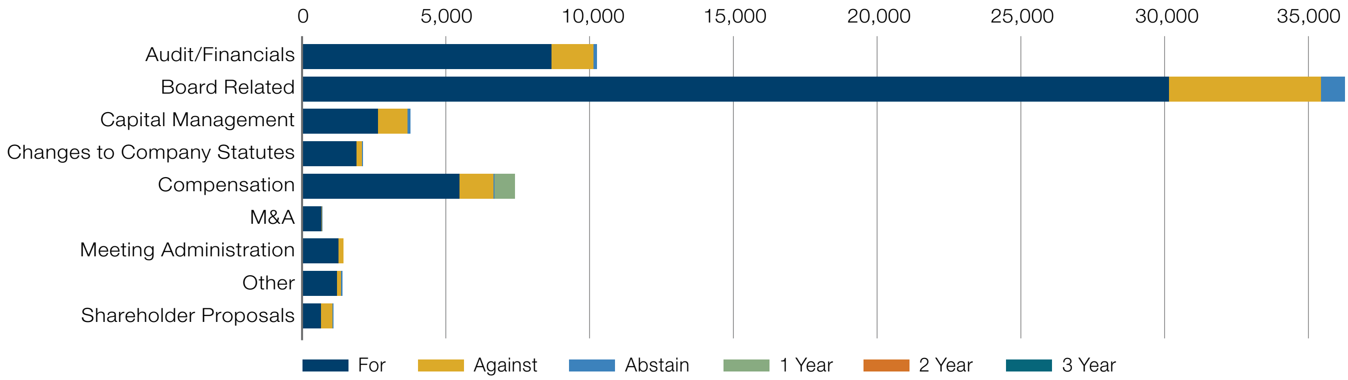
Proposals	Number	Percentage
Total	70,281	–
Voted*	68,453	97.40%
Unvoted	36	0.05%
Votes against	12,177	17.79%
Votes abstain	544	0.79%
Votes with policy	68,134	99.53%
Votes against policy	85	0.12%
Votes with management	55,255	80.72%
Votes against management	12,621	18.44%
Votes on shareholder proposals	1,016	1.48%

*Excludes Take No Action (TNA). In line with our voting policy, in exceptional cases, we may TNA due to additional costs associated with the vote which we believe are not beneficial to our clients. This includes share blocking and equity positions held purely for financing.

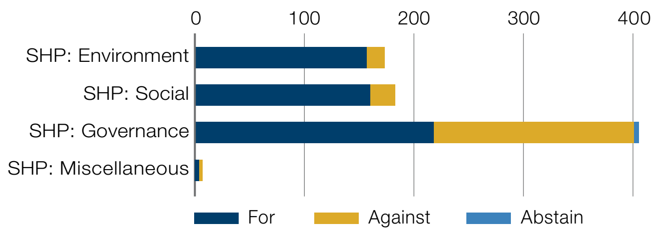
Meetings voted by region



Votes by topic



Shareholder proposals



% Votes in favour of Shareholder Resolutions FY23

Environment	Social	Governance
82.80%	**67.83%**	**39.97%**

Engagement

Number of companies engaged

77

Number of countries covered

17

Direct Engagement

Number of companies engaged

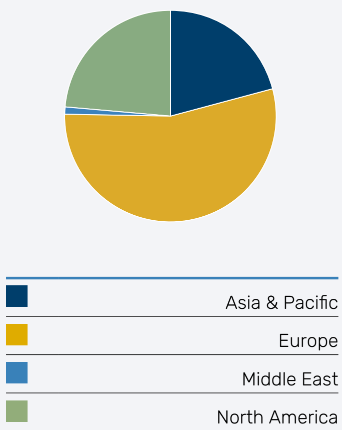
51

Collaborative Engagement

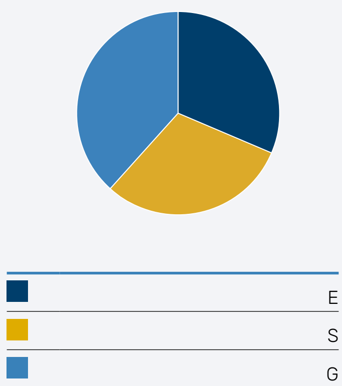
Number of companies engaged

27

Engagements overview by region



Engagements overview by ESG category



*One company was engaged both directly and collaboratively.

Top five engagement topics

1. Human Rights
2. Climate
3. Compensation
4. Health
5. Biodiversity

Engagement results

Success	Flat progress
31	19
Positive progress	**No success**
22	8

Use Of Proxy Advisor Services

Man Group uses Glass Lewis as its proxy service provider. We use Glass Lewis's voting platform 'Viewpoint' to vote on our shares and receive research reports and voting recommendations. We have monitoring controls in place to ensure that the recommendations provided are in accordance with our Global Proxy Voting Policy and that our votes are timely and effectively instructed.

We have electronic alerts to inform us of meetings that require further review by the Stewardship team, votes against our policy, votes that need manual input and rejected votes that require further action.

Glass Lewis is an advisor only. We retain the ability to override any vote decisions.

Our Proxy Voting Framework – Significant Votes

Our voting framework employs screening to identify high-value meetings. Any prepopulated votes for such meetings are manually reviewed by the Stewardship team. This allows us to monitor the quality and accuracy of the research and voting recommendations provided by our third-party provider Glass Lewis and to keep up to date with the governance system and practices of these companies.

Our screening combines an internal metric on deemed importance of the meeting with an ESG rating from a third-party provider (Sustainalytics). It also includes watch lists of sensitive securities, such as issuers Man Group is engaging with and high-profile events. Finally, all shareholder resolutions are reviewed and voted on in-house.

Our proxy voting framework includes the following considerations:

- **% of Shares Outstanding:** Where Man Group holds a significant ownership stake
- **% of Fund AUM**: Where total notional position of Fund AUM is meaningful
- **ESG Rating:** ESG risk rating or severe controversy level
- **Watch lists:** 'Issuers of interest' watch lists
- **Shareholder Resolutions:** All shareholder resolutions

Proxy Voting Framework

Applied to all holdings

Bespoke screening system to identify high-value meetings

% of Shares Outstanding
Where Man Group holds a meaningful ownership stake

% of Fund AUM
Where total notional position of Fund AUM is meaningful

ESG Rating
Poor ESG rating or severe controversy level

Watch Lists
Issuers of interest watch lists

Shareholder Resolutions
All shareholder resolutions

High-value meetings closely reviewed by the stewardship team

Public Stewardship Initiatives

We see merit in efforts to collaborate on critical ESG-related matters through either public initiatives or independent investor groups and therefore are very much active in this space. Man Group recognises that, in pursuing the best interests of our clients, institutional investors have a responsibility to consider working with other investors and policy makers with the objective of protecting and enhancing shareholder value.

In terms of our work as part of engagement groups within wider public stewardship initiatives we provide updates on a select few below:

Advance

The UN PRI's Advance initiative focuses on human rights and social issues and Man Group became signatory at its launch in 2022.

Man Group is part of two Advance engagement groups, co-leading on Nippon Steel Corp alongside Nomura AM, and is also supporting on Acciona Energia.

Nippon Steel Corp

- Man Group prepared the initial letter to the Japanese steel firm outlining the objectives of the initiative and concerns identified by the group.
- The engagement group has conducted strategy meetings and have met with the company.
- A challenge has been to encourage the company to focus the engagement on the group's desired problem areas and to agree on related goals, once settled this will shape the direction of the dialogue into 2024.
- Investor asks relate to a commitment to respect human rights at both operations and supply chain level, human rights risks and impacts identification and monitoring of health and safety performance.

Acciona Energía

- A letter exchange and meeting has been conducted between the engagement group and the Spanish renewables company.
- By holding strategy meetings the engagement group was able to identify the following priority areas that have subsequently shaped the dialogue to date: human rights due diligence; board oversight; supply chain challenges; and labour conditions.
- The group is working on refined expectations for the company to consider as part of their reporting in 2024.

Valuing Water Finance Initiative ("VWFI")

The VWFI is a global investor-led effort to engage companies with a high water footprint to value and act on water as a financial risk and drive the necessary large-scale change to better protect water systems. The initiative is co-ordinated by Ceres and Man Group joined from its inception in 2022.

Man Group is part of the investor group engaging with Constellation Brands Inc, a US beverages company. The engagement highlights include:

- Strategy sessions were conducted between engagement group members and a letter was sent to the company outlining the initiative and stressing the urgency of engaging on this issue.
- A meeting was held with company representatives from corporate sustainability and investor relations to discuss the company's ongoing water risk impact assessment with specific focus on water quantity, quality and access and sanitation across company operations and supply chain.
- As follow up, the investor group sent industry examples of good practice with regard to water stewardship.
- Later in the year Ceres released the Valuing Water Finance Initiative Benchmark, on which Constellation Brands performs close to the Beverage Industry Average. These findings will form and dictate the next stage of engagement with the company.

Long-term Investors in People's Health ("LIPH")

LIPH is a collaborative engagement initiative co-ordinated by ShareAction with the goal of addressing elevated and preventable financial risk linked with worker, consumer, and community health. Man Group become signatory to LIPH at its launch in 2022.

Man Group participated in many of the organised investor group meetings with numerous food and beverage companies including Nestle SA, PepsiCo and Kraft Heinz, in addition to food retailers such as Tesco plc. The agenda each time is tailored to the specific company but a recurring theme is to address and encourage healthy product sales target-setting. For more information on the Nestle specific engagement please refer to Case Study 7, below.

Engagement Case Studies

Engagement Policy

Our Engagement Policy discloses how Man Group monitors and conducts dialogue with investee companies, exercises voting rights, cooperates with other shareholders, and manages actual and potential conflicts of interest.

Our Engagement Policy is publicly available on our website: ***www.man.com/responsible-investment***

1
Case Study

Region Asia & Pacific

Sector Materials

Industry Metals & Mining

Topic
Climate

Nippon Steel Corp

Objective

To secure a commitment for Nippon Steel Corp to enhance its decarbonisation strategy and accelerate its shift from blast furnaces to electric arc furnaces.

Background

Nippon Steel Corp is the largest steel maker in Japan and one of the largest globally. The company has an emissions reduction target of 30% by 2030 and its decarbonisation strategy is based on hydrogen injected blast furnaces (a technology branded COURSE 50) and electric arc furnaces (EAF). Notable concerns with COUSRE 50 are that coal remains a key ingredient in the process and a portion of the associated emissions reduction is reliant on carbon capture and storage. Investor preference is for EAF powered by wholly renewable energies and this is a technology beginning to be rolled out by certain global peers.

Approach

An investor group comprised of Man Group, Storebrand, Corporate Action Japan and co-ordinated by Australian Center for Corporate Responsibility ("ACCR") engaged with the company ahead of its annual general meeting. Multiple meetings were held with management discussing the ambition of existing targets, the strategy to achieving them, and whether current incentives for management via the remuneration policy were sufficiently aligned with these goals.

Outcome

After months of engagement, the shareholder group welcomed the company's announcement of enhanced climate commitments. The company constructively worked to improve the ambition in relation to building knowledge internally for its shift from a blast furnace to an electric arc furnace steelmaking process. Further, a company statement that a stable supply of green hydrogen and green power (renewable energy) is needed as a key input to achieve its target of carbon neutrality was also welcomed.

In June, the Stewardship team hosted a follow-up in-person meeting with the company and the momentum of this engagement has continued into 2024.

2

Case Study

Region Asia & Pacific

Sector Utilities

Industry Independent Power and Renewable Electricity

Topic

Climate

Electric Power Development ("J-Power")

2022 Objective

To set GHG emissions reduction targets aligned with the goals of the Paris agreement and for capex and remuneration to reflect these targets.

Background

While J-Power, Japan's largest coal power operator and sixth largest energy utility, has publicly committed to transitioning towards carbon neutrality, evidence indicates a significant gap between its decarbonisation strategy and the goals of the Paris Agreement. The company lacks a defined phase-out schedule for domestic coal assets, an essential component for achieving a net zero pathway, which advanced economies like Japan should aim to reach by 2035, per the International Energy Agency (IEA).

In 2022, a coalition arose between Man Group and the Australasian Centre for Corporate Responsibility ("ACCR"), HSBC Global Asset Management and Amundi, whom each individually held concerns in relation to J Power's climate commitments. Subsequently, Man Group, as part of the newly formed investor group, co-filed the first institutional investor group-led climate shareholder proposals filed in Japan. The decision to file followed a series of meetings with the company and a letter exchange outlining the investor group's expectations. During this process it became evident that the company was not prepared to meet these asks.

Approach

In 2023, for the second successive year, the coalition targeted the AGM by filing two shareholder resolutions to call on the Company to set and disclose credible short- and medium-term emissions reduction targets, aligned with the goals of the Paris Agreement; and disclose how remuneration policies incentivise progress against emission reduction targets.

In light of the significant divergence between J-Power's decarbonisation strategy and the goals set by the Paris Agreement, combined with the company's lack of substantial progress following the 2022 AGM, the investor group also signalled intent to vote against the re-election of the director principally responsible for the company's climate strategy, Representative Director (Executive Vice President) Hitoshi Kanno.

Outcome

The shareholder resolutions received 21% and 15% support, respectively, representing a strong call by J-Power shareholders to strengthen the firm's decarbonisation strategy and for continued engagement to monitor the company's response to these matters. The level of shareholder dissent for Hitoshi Kanno was higher than the average seen on other board members.

3
Case Study

Region Europe
Sector Financials
Industry Financial Services

Topic
Human Rights

OSB Group plc

Objective

To encourage disclosure of a human rights policy aligned to the UN Universal Declaration of Human Rights (UDHR) and become a signatory or participant to the UN Global Compact (UNGC).

Background

In 2023, our custom voting policy was strengthened on the topic of human rights by requiring companies to publish UDHR-aligned human rights policies and consider becoming signatory to the UNGC.

The UDHR is an international document adopted by the United Nations General Assembly in 1948 that enshrines the rights and freedoms of all human beings.

The UNGC is a pact that encourages companies to adopt sustainable and socially responsible policies and to report on their implementation. It is a voluntary initiative based on CEO commitments covering ten universal principles related to human rights, labour, environment, and anti-corruption. It is considered the world's largest responsible business initiative with 13,000 corporate participants and other stakeholders over 170 countries.

In 2023, it was a preference of our UK focused investment team to engage their portfolio companies on this issue rather than apply the new voting guidelines. This was a process the Stewardship team helped to facilitate.

Approach

Throughout the year a regular alert was applied warning the investment team of upcoming shareholder meetings triggering our human rights guidelines. Subsequently, it was these portfolio companies that were chosen for engagement. The stewardship team participated in several of these engagements together with the investment team, at companies including OSB Group plc, Senior plc, Morgan Sindall plc, Ibstock plc and Tyman plc.

Outcome

These engagements were largely constructive with target companies appreciative of the opportunity to discuss their current commitments to human rights and open to hearing our expectations and learning how to advance their policies and practices. Following our engagement, some companies promised improvements, namely, OSB Group plc, who confirmed its intention to sign up to the UNGC.

4
Case Study

Region Europe

Sector Consumer Staples

Industry Food Products

Topic
Board Structure

Danone

Objective

To understand how the company has handled the recent overhaul of its board of directors and other governance matters.

Background

The company's former CEO was removed in 2021 following investor pressure related to the governance concerns that arise when the positions of CEO and board chair are held by the same individual and perceived business underperformance. A new CEO was appointed and subsequently a renewed strategy was developed.

The board of directors and much of the management team has since been completely overhauled. The board committees have also been restructured reducing in number from four to three.

The 2023 AGM was marked as the final step of the Board's renewal program with approval of all appointments proposed.

Approach

An in-person meeting was held between the Stewardship team and company representatives including the Lead Independent Director and Investor Relations and Corporate General Counsel. The company presented the aforementioned changes, the company's current context and AGM matters, while the Stewardship team was given the opportunity to ask questions and discuss their primary issues.

Outcome

The company provided some useful clarification and context as to how such a drastic overhaul of the company's governance system has been managed. The company also offered assurances as to why they feel the decisions made during this process are the right ones.

5
Case Study

Region	North America
Sector	Information Technology
Industry	Semiconductors and Semiconductor Equipment

Topic
Supply Chain Management

Power Integrations Inc

Objective
To encourage disclosure and take-up of policies and procedures that help manage supply chain risks.

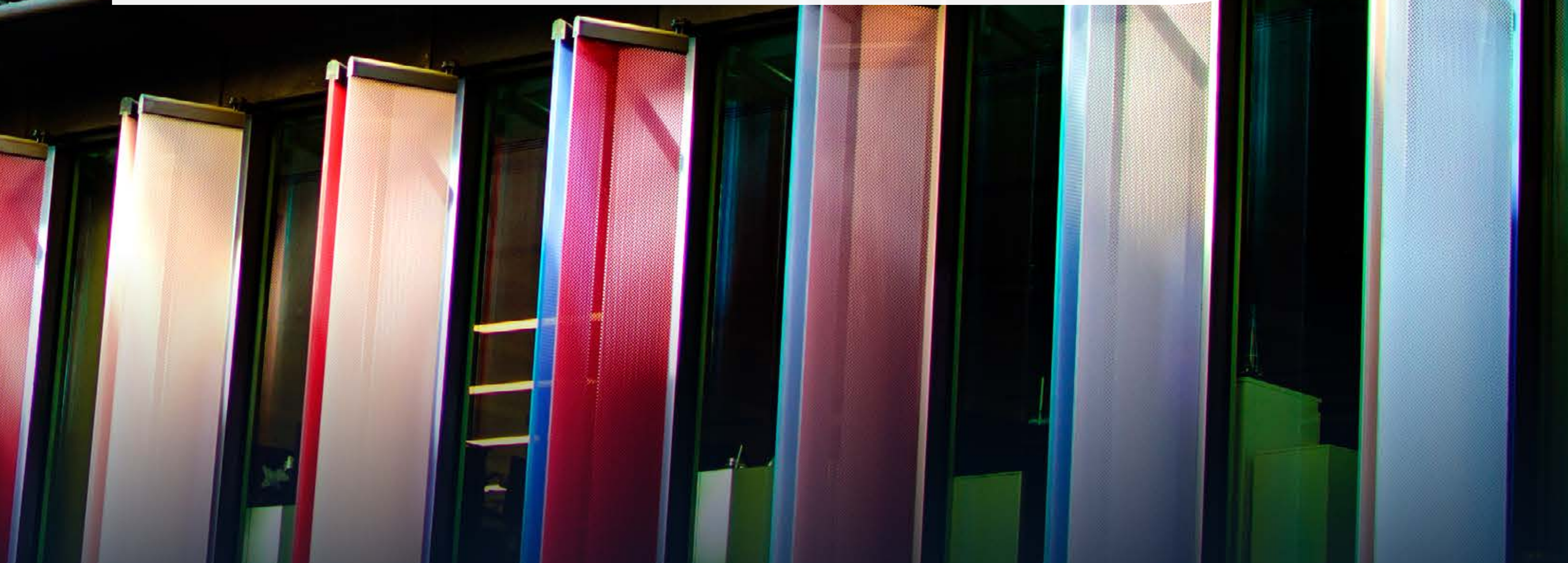
Background
This engagement formed part of a wider campaign targeting 10 companies identified as laggards regarding supply chain management and transparency in this area.

Various wrongdoings and disasters within supply chains at publicly listed companies in the past decade has increased investor focus on the management and logistics of supply chains. Global and regional supply chains have experienced substantial disruptions since COVID-19 and face prolonged difficulties due to the geopolitical instability of today – businesses must tackle these challenges as they aim to build more viable and robust supply chains. There is also a common understanding that human and labour rights violations usually occur in supply chains, which heightens the need for transparency.

This is the second example, following a 2022 campaign related to GHG reporting and target setting, of where the Stewardship team has focused an engagement campaign on a group of companies held in one of Man Numeric's quantitative strategies. This pioneering effort is one that Man Group is uniquely positioned to undertake, given the firm's broad range of strategies, and our firm-level Stewardship team which represents each of the firm's five investment management businesses.

Approach
A letter was sent to each of the target companies which led to further detailed discussions with individual companies.

Outcome
The overall response rate to the letter was approximately 50%. One notable dialogue was a virtual meeting with Power Integrations Inc, a semiconductor company. The company explained its manufacturing partner requirements of suppliers, under which they intend to include ESG metrics. Power Integrations Inc is a smaller company with more limited resources and their ESG reporting and credentials are rather primitive. However, they claim to be taking shareholder engagement seriously and are working to apply the advice they receive.



6
Case Study

Region Europe
Sector Consumer Staples
Industry Food Products

Topic
Product Responsibility

Nestlé S.A.

Objective

To encourage Nestlé S.A. to disclose sales derived from healthy products and adopt targets to increase the proportion of healthier food sales.

Background

Nestlé S.A. ('Nestlé') has historically resisted calls by investors to adopt a government-endorsed nutrient profiling model ('NPM') to report on the healthiness of sales from its food product portfolio. Following on from investor engagement with Nestlé going back to March 2021, raising concerns about the future regulatory risk associated with the dependence on sales of unhealthy food products, Man Group joined with other investors and civil society to engage with Nestlé in 2023 and encourage progress to meet emerging best practice on disclosure and future target setting.

Approach

As part of ShareAction's Long-term Investors in People's Health ('LIPH') initiative, and supported by research and coordination by the ShareAction, Man Group joined multiple investor conference calls with representatives from IR, subject matter experts, and management to challenge Nestlé falling short of best practice disclosure and the lack of targets to increase the proportion of healthier food sales. The engagement escalated to members of the engagement group signing a public statement ahead of the company's 2023 AGM, calling on Nestlé to respond to growing investor concerns.

Outcome

Following the investor statement, and continued dialogue with subject matter experts at the company, Nestlé announced new targets to increase sales from more nutritious food products by 2030 by 50 per cent.

Though this target fell short of the favoured target of a proportional increase in healthier food sales, it represents progress on this topic and reflects the impact of constructive engagement with shareholders.

7
Case Study

Region Japan

Sector Materials

Industry Materials

Topic

Climate, cross-shareholdings, and corporate governance

Toray Industries, INC.

Objective

To seek progress in relation to disclosure of scope 3 emissions, reduction of the company's cross-shareholdings and ongoing board-related concerns.

Background

Engagement with Toray Industries, INC. ('Toray') began with dialogue between the firm-level Stewardship team and the fund-level investment team. They had concerns with the levels of disclosure and commitments from the company, despite its important role in providing key fibres and materials necessary for the energy transition, challenging the assumption as to whether it could be considered a sustainable investment.

Approach

The Stewardship team agreed to engage with the company to seek clarifications on their climate disclosure, particularly of scope 3 emissions, and their decarbonisation ambitions. In addition, the goal was to discuss ongoing governance concerns relating to gender diversity, commercial practices by serving board members, and strategic shareholdings.

This engagement was initiated by a shareholder letter followed by two meetings with Toray, both in person and via conference call. The initial discussion primarily focused on the lack of disclosure of scope 3 emissions and emission reduction targets that were not aligned with the Paris Climate Agreement. The second came after Toray's annual general meeting, where Man Group voted against management on several resolutions, where these concerns were raised with the company.

Outcome

Toray confirmed the publication of an updated TCFD report, with various enhancements to the previous report. In addition, Toray confirmed their intention to disclose scope 3 emission, stating the internal discussions were centred on how to implement emissions reduction.

8
Case Study

Region	Europe
Sector	Utilities
Industry	Water Utilities

Topic
Environmental impact and capital expenditure

Pennon Group PLC

Objective
Seek assurances on the health of the sector and the company, in light of concerns relating to the use and oversight of storm overflows, increased regulatory scrutiny, and multiple capital projects.

Background
Following our engagement with Pennon Group plc ('Pennon Group') in 2022, in which we wanted to address concerns over use storm overflows and the subsequent investigations into the company, the Stewardship team at Man Group wanted to broaden the engagement to take into consideration a wider range of topics which are linked to the issue of the use of storm overflows.

This included partnering with the Investor Forum and other institutional investors as shareholders in a series of engagements with UK water utility companies, including Pennon Group, to address concerns relating to the health of the sector, regulatory changes, and insights into managing the risks relating to use and monitoring of storm overflows.

Approach
The engagement included a combination of collaborative shareholder letters and dialogue with Board and investor relations representatives via conference call. Much of the discussion related to the capex and totex implications of the required investment to reduce reliance on storm overflows, improve the monitoring and data collection, and implementing new regulatory requirements. In addition, the group highlighted concerns for the on-going management of risks to reduce incidents.

Outcome
Pennon Group provided assurances that capital requirements would be met with a balanced plan working with key stakeholders, such as shareholders, customers and the regulator, to ensure that addressing the issue of storm overflows remains high priority. The engagement continues.

The organisations and/or financial instruments mentioned are for reference purposes only. The content of this material should not be construed as a recommendation for their purchase or sale.

9
Case Study

Region Europe

Sector Industrials

Industry Trading Companies and Distributors

Topic
Climate

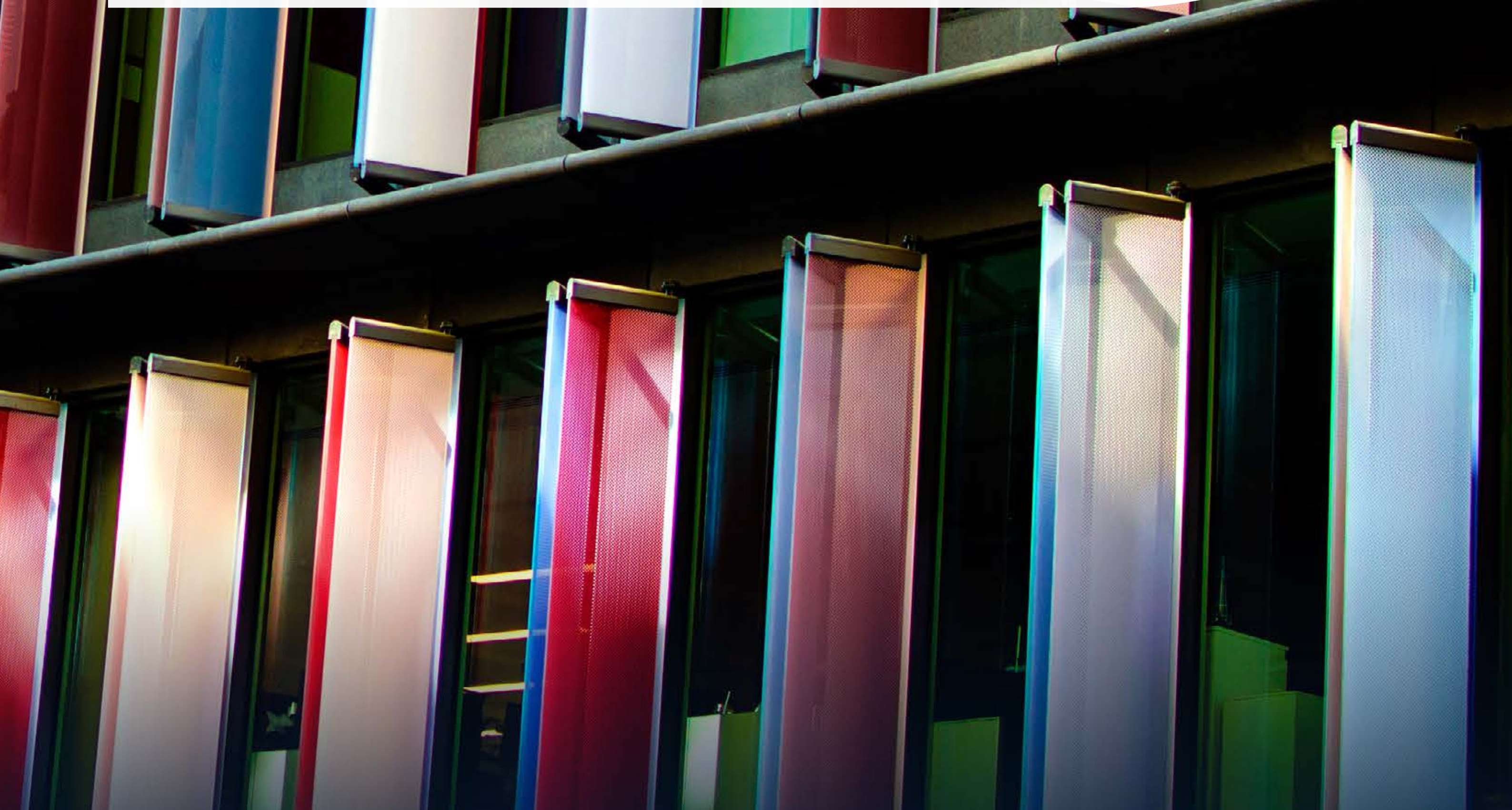
Grafton Group plc

Objective
Encourage the adoption of net zero targets.

Background
Ahead of Grafton Group plc's ('Grafton') 2023 annual general meeting, the decision was made to vote against the Board Chair due to the lack of a 2050 net zero target, in accordance with Man Group's custom voting policy. The Stewardship sought to engage with Grafton to address concerns over a lack of ambition to reduce emissions over the long-term.

Approach
Prior to the AGM, the Stewardship met with representatives from investor relations and Grafton's Board to discuss Man Group's likely voting intention in which the Stewardship team expressed its expectations of all its portfolio companies to have 2050 net zero ambitions and, given that Grafton has not committed to a deadline for setting such a target, it would remain a votable issue for Man Group. As the company was unable to provide more transparency or disclosure of a proposed timeline to set net zero targets, the Stewardship voted in-line with its policy not to support the re-election of the Board Chair at the AGM. Man Group's vote was complimented by wider shareholder dissent on the issue, with approximately 21% of shareholders voting against the Board Chair.

Outcome
The dialogue with Grafton continued following the AGM. The company has subsequently announced a 2050 net zero target, confirmed their intention to disclose scope 3 emissions, representing the vast majority of the emissions linked to Grafton, and has stated that the company will seek science-based targets (SBTi) accreditation for their emissions reduction targets by the end of 2024.



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Significant Votes

10
Case Study

Region Europe
Sector Materials
Industry Metals and Mining

Topic
Climate

Meeting Date
26 May 2023

Glencore plc

Resolution

Shareholder Proposal – Climate Action Transition Plan.

Our vote and rationale

FOR – Favour increased environmental reporting/responsibility

Prior to the AGM, nine institutional investors, including Man Group, publicly backed a shareholder resolution seeking greater transparency on how the company's thermal coal production aligns with the Paris objective of keeping global temperature increase to 1.5°C.

A global coalition of institutional investors, co-ordinated by ACCR, co-filed a shareholder resolution seeking disclosure on how Glencore's projected thermal coal production and thermal coal capital expenditure aligns with the Paris Agreement's goals and the International Energy Agency (IEA) Net Zero Emissions pathway.

It was believed that Glencore's recent merger bid for Teck Resources and the proposed coal demerger only strengthens the need for greater transparency on how Glencore's coal business aligns with Paris.

The resolution was seen as playing a crucial role in ensuring Glencore demonstrates Paris alignment of its forward coal production, particularly as the company's climate report released in March 2023 did not offer the disclosures that were sought.

Vote Result

Resolution rejected – The resolution received significant support, prompting institutional investors behind the resolution to call on the company to heed the clear message and come clean on the risks of its thermal coal business. 29.22% of shareholders voted in support of the resolution, which is the second highest vote ever recorded in favour of a climate-related shareholder resolution not supported by management on the London Stock Exchange. Because the vote was over 20%, under the terms of the UK Corporate Governance Code Glencore is now required to formally consult with shareholders about the reasons for the result.

Glencore also received a vote of 30.25% against its 2022 Climate Report, building on the vote against the plan from last year's AGM. The chair received an 11% vote against. Man Group opposed both of these resolutions at the AGM.

11
Case Study

Region Asia & Pacific

Sector Industrials

Industry Passenger Airlines

Topic
Climate

Meeting Date
3 November 2023

Qantas Airways Ltd

Resolution
Election of Directors - Belinda J Hutchinson.

Our vote and rationale
AGAINST - Failure to adopt a science-based GHG emissions reduction target

Qantas Airways Limited provides air transportation services in Australia and internationally. Qantas faces significant risks due to increased regulation and investor scrutiny on account of climate change. Although the company has set interim targets on the way to achieving its net zero ambition, covering Scopes 1, 2, and 3 emissions, these targets are not certified as science-based and the company was not assessed as 1.5 degrees aligned in the medium- and long-term, according to the Transition Pathway Initiative, receiving a below 2 degrees classification. Our voting policy includes a strong focus on environmental risk mitigation and enhanced climate disclosure. For Climate Action 100+ companies, which are the highest-emitting companies and thus have significant exposure to climate-related risks, the policy considers the level of governance afforded to climate change, the disclosure provided and the way these companies incentivize executives to mitigate climate-related risks. On the election of directors, the policy considers whether the company has set or has committed to setting a science-based emissions reduction target through the Science Based Targets Initiative (SBTi). We voted against nominee Hutchinson, Member of the E&S Committee, due to the company's failure to adopt science-based targets.

Vote Result
Resolution Approved – The resolution received 89.84% support from shareholders. We remain concerned about the company's target setting and will continue to monitor the company's progress on this area and take appropriate action.

12
Case Study

Region Europe
Sector Consumer Discretionary
Industry Household Durables

Topic
Climate

Meeting Date
8 September 2023

The Berkeley Group Holdings plc

Resolution
Compensation - Remuneration Report

Our vote and rationale
AGAINST - Failure to incentivize mitigation of material E&S risks

The Berkeley Group Holdings plc engages in the residential-led and mixed-use property development and ancillary activities in the United Kingdom. We find the link between compensation and environmental and social criteria insufficient, especially for a company with a significant degree of exposure to environmental and climate-related issues. For Climate Action 100+ focus list companies and those where SASB has deemed GHG emissions to be financially material, our policy considers the extent to which executives are incentivised to act in ways that mitigate a company's climate impact. We voted against the company's remuneration report as we believe the current structure fails to provide sufficient incentives in that regard.

Another concern raised was the insufficient response to substantial shareholder dissent on remuneration matters at the 2022 AGM.

Vote Result
Resolution Approved – The resolution was approved with 86.42% of shareholders voting in favour. We would like to see the company enhancing its remuneration framework in line with our comments and will continue to request a more robust link between compensation and environmental and social factors.

13
Case Study

Region North America
Sector Consumer Discretionary
Industry Automobiles

Topic
Shareholder Rights

Meeting Date
11 May 2023

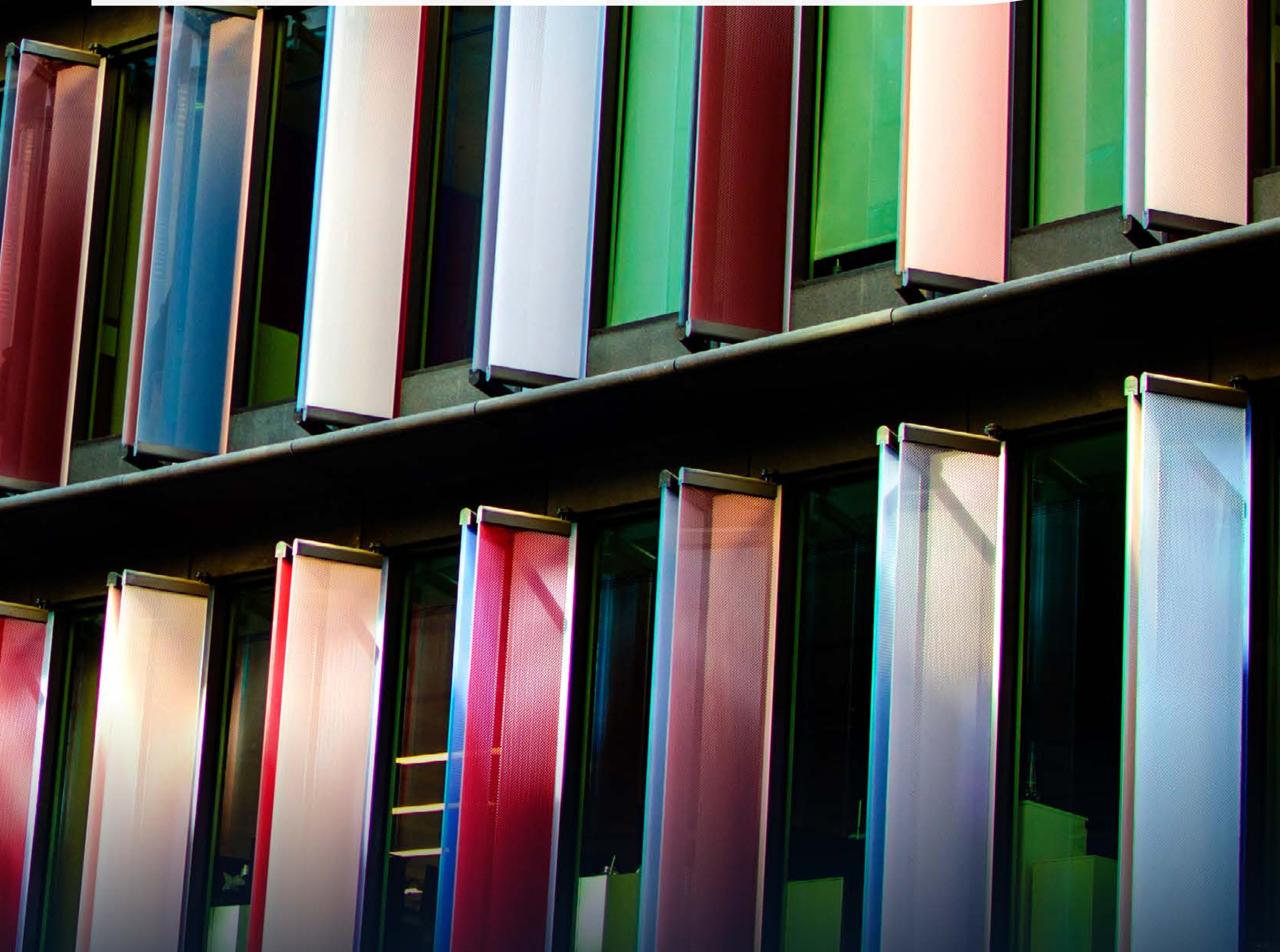
Ford Motor Co

Resolution
Shareholder Resolution – Recapitalisation

Our vote and rationale
FOR - Multi-class share structure with unequal voting rights

Ford Motor Co develops, delivers, and services a range of motor vehicles worldwide. The Company maintains a multi-class share structure with unequal voting rights, which we believe is not in the best interests of common shareholders. We favour the one-share-one-vote principle as an important safeguard for all shareholders. We voted in support of the shareholder resolution, filed by the renowned US shareholder activist, John Chevedden, to ensure that the company's entire outstanding stock has an equal one-vote per share in each voting situation.

Vote Result
Resolution Rejected – The resolution received 35.89% shareholder support. We will continue to advocate for the removal of unequal voting rights and expect the company to see the number of votes FOR as a reason to reconsider its current share structure.



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14
Case Study

Region	North America
Sector	Industrials
Industry	Ground Transportation

Topic
Climate

Meeting Date
15 June 2023

Canadian Pacific Kansas City Ltd

Resolution

Advisory Vote on Approach to Climate Change

Our vote and rationale

AGAINST - No net zero targets.

Canadian Pacific Kansas City Ltd owns and operates a transcontinental freight railway in Canada and the United States.

We voted against the company's advisory vote on its approach to climate change due to a lack of net zero target. We acknowledge certain positive aspects to the company's climate transition strategy, including: science-based reduction targets for a portion of the business; TCFD-aligned reporting; information concerning its scenario analysis; and third-party assurance on its GHG emissions. However, at the point of voting, the company did not have in place a formal climate transition plan containing a net zero commitment.

Ahead of the 2023 AGM, the company announced its commitment to develop a GHG emissions reduction target aligned with a 1.5°C trajectory which supports the achievement of net-zero emissions by 2050. Following completion of Canadian Pacific's acquisition of Kansas City Southern, in June 2023, the combined company has committed to working with the SBTi within the next two years.

Vote Result

Resolution Approved – The resolution was approved with 83.70% of shareholder support. However, the relative high level of dissent (16.30%) is a clear signal of dissatisfaction with the company's position.

As noted above, the company has plans to implement a science-based climate transition plan over the coming years. We encourage companies to set credible decarbonisation plans with short- and medium-term targets in alignment with the Paris Agreement and to provide sufficient transparency around these plans. We will therefore monitor the company's progress in this regard. Lastly, we support the company for providing shareholders the opportunity to express their views on its climate approach.

15
Case Study

Region	North America
Sector	Industrials
Industry	Air Freight and Logistics

Topic
Diversity

Meeting Date
4 May 2023

United Parcel Service Inc

Resolution
Shareholder Proposal – Diversity and Inclusion Report

Our vote and rationale
FOR - Favour improved disclosure

United Parcel Service Inc is a package delivery company that provides transportation and delivery, distribution, contract logistics, ocean freight, airfreight, customs brokerage, and insurance services in the US and globally. We supported the shareholder resolution requesting that the company reports to shareholders on the effectiveness of the Company's diversity, equity, and inclusion efforts as we believe it is crucial for companies to address such issues. We think that undertaking the requested report would enhance disclosure allowing shareholders a better understanding of how the issue of diversity was being managed and overseen.

Vote Result
Resolution Rejected – The resolution received 24.5% of shareholder support. Although it did not pass, the significant level of support is indicative of the diversity focus and interest from shareholders.

16
Case Study

Region	North America
Sector	Health Care
Industry	Pharmaceuticals

Topic
Diversity

Meeting Date
2 May 2023

Bristol-Myers Squibb Co

Resolution

Shareholder Proposal - Non-discrimination Audit

Our vote and rationale

AGAINST - Shareholder proposal is anti-social

Bristol-Myers Squibb Co discovers, develops, licenses, manufactures, markets, distributes, and sells biopharmaceutical products worldwide. We voted against the shareholder proposal requesting that the company commission a non-discrimination audit analysing its impacts on civil rights and non-discrimination for 'all Americans' given the underlying supporting statement which raised questions regarding the objective of the resolution, including the suggestion that anti-racism and diversity programmes raise significant objection and foster reverse discrimination against White people. The proponent, National Center for Public Policy Research, has filed numerous shareholder resolutions over the past few years with the intention to fight ESG-aligned practices and policies. We are mindful of the recent rise of anti-ESG proposals that mimic many aspects of positive shareholder proposals but in fact intend to frustrate company actions.

Vote Result

Resolution Rejected – The resolution was rejected with 96.21% of shareholders voting against.

Education & Thought Leadership

We are committed to promoting and raising awareness of RI within the firm and more widely across the investment industry. Our commitment to RI involves promoting education and setting standards through participation in industry-wide initiatives.

Man Group is proud to be involved with many industry groups that promote responsible investment practices. Man Group is a signatory to the Institutional Investors Group on Climate Change (IIGCC), the International Sustainability Standards Board (ISSB) and the Standards Board for Alternative Investments (SBAI). These organisations aim to develop and reinforce frameworks for better implementation and adherence of ESG, as well as governance for the alternative asset management industry. This is in line with our commitment to considering the preference of our clients.

In addition to our active participation in industry initiatives, we also seek to produce high-quality research through the Man Institute and thought leadership around pressing ESG issues. Highlights of our industry involvement and research during the year include:

- We produced a number of proprietary research • We produced a number of proprietary research papers, including 'Carbon Emissions: Under the MicroScope3', published in the Journal of Impact and ESG. This paper explores how carbon emissions can be viewed through the lenses of Scope 1, 2 and 3 and how subjective interpretations remain an issue. Further examples of our research can be found on Man Institute *here*. In the last 12 months, we continued to expand our involvement in industry bodies which promote improved climate disclosure, such as the Climate Financial Risk Forum (CFRF). Head of RI Research, Jason Mitchell, remains as Chair of UKSIF which works to bring together the UK's sustainable finance and investment community. Jason works closely with the CEO to ensure that the board's decisions are implemented and that the organisation's strategic goals are met.
- Our podcast series, 'A Sustainable Future' podcast makes a conscious effort to create a neutral ground, combining critical commentary from asset owners, managers, consultants, academics and policymakers on pressing ESG issues. The podcast serves as an educational tool, sparking conversation and debate around the intersection of ESG, regulation and public policy. Recently, Jason Mitchell (host of the podcast) invited professor Tom Gosling, London Business School, for the series' first live podcast to discuss the achievability of net zero targets for corporates. The listener base of investors, policymakers and academics means the podcast has the capacity to influence investor approaches to ESG and public policy developments.

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