2025

VOTING SEASON REPORT

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Your capital may be at risk. The value of investments and the income from them can fall as well as rise and investors may not get back the original amount invested.

We encourage and appreciate feedback on this report.

Please provide any comments to:

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For definitions of the investment-related terms included in this document, please refer to the glossary on page 23.

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INTRODUCTION

BNY Investments Newton's 2025 voting season report presents the activities we have undertaken on behalf of our clients at annual general meetings (AGMs) and extraordinary general meetings (EGMs) over the course of this year's voting season. We offer insight into key themes which we consider may be relevant to long-term value creation and explain our analysis and approach to these.

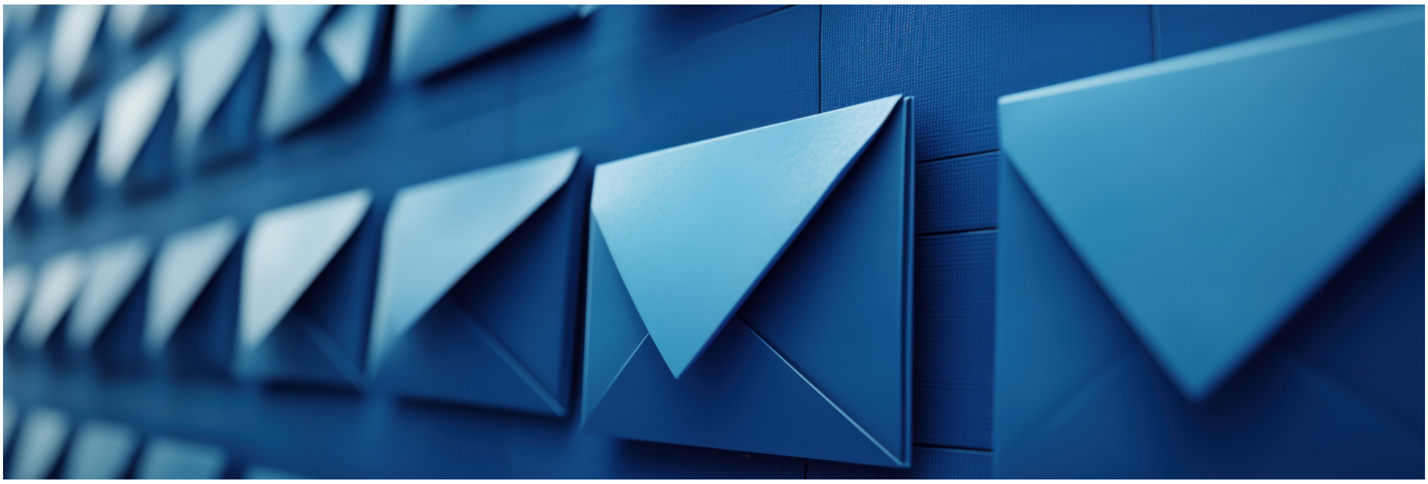
Voting is a core part of how our investment process seeks to add value over the long term. As an active manager, our objective is to deliver on the mandate our clients have given us to protect and enhance the value of their assets over a given period. Our investment case is underpinned by our multidimensional research capabilities, through which we seek to fully understand the material risks and opportunities influencing the long-term value of a security. Once invested, we take on an active stewardship role and may call out areas for improvement which we believe can lead to positive outcomes for our clients. Being an engaged and active owner helps us deliver long-term value creation for our clients.

We use three main stewardship tools: engagement with issuers, voting at shareholder meetings, and participation with experts and peers within the wider marketplace, often referred to as advocacy. These activities are often interconnected, as we incorporate insights gained from engagements and consider the wider market and policy landscape in our vote analysis. In our view, voting cannot be a binary application of principle; in order to link back to our investment process, resolutions must be considered in the context of the individual company and our investment thesis for that company. Our focus on engagement outcomes, rather than the number of engagements, underpins the high-quality stewardship we undertake to reduce risk and potentially add value to an investment.

This report explores:

- The most prevalent themes we observed or focused on within management resolutions, including board accountability, executive pay and shareholder rights
- The evolution of climate-related resolutions, both those proposed by management as well as those proposed by shareholders
- Common topics raised by shareholder resolutions this year

Further information about our approach to voting can be found in our *Governance principles and voting guidelines*, available at **newtonim.com/responsibleinvestment.**



HIGHLIGHTS OF THE 2025 VOTING SEASON

The 2025 proxy season exemplified numerous complex and topical investment themes. Technological advancements through artificial intelligence (AI) have led to increased energy consumption and changes to power infrastructure; regulations have continued to evolve, at times in a divergent manner; and geopolitics has begun to affect companies and board composition. These investment themes have all influenced the proxy season in some form or another.

Executive compensation

The evergreen topic of executive compensation featured consistently throughout our proxy season. A defining compensation storyline this year was the continued use of one-time awards to chief executive officers (CEOs) in the US. Compensation committees' rationales often hinged upon leadership transition, talent retention, or aligning incentives with big strategy pivots. However, as investors, we closely examined these cases to ensure such practices were properly monitored, supporting situations where we believed the awards would promote long-term value creation and were aligned with our investment thesis. In the UK, boards continued to confront the competitiveness debate head-on – several remuneration policy updates signalled more latitude to benchmark against US peers and adjusted possible payouts accordingly. In the cases we supported, we looked at the performance of the individual, their importance to our overall investment case, the performance of the company, and whether the company's business and operations warranted a compensation structure that could be more closely aligned with US benchmarks.

Shareholder proposals

This season saw a reduction in the number of shareholder proposals submitted and generally experienced diminished success rates, particularly in the case of detailed environmental and social proposals. Climate-focused proposals continued to be prominent but encountered increased exclusions and received less backing when they ventured into prescriptive asks, imposed rigid targets, or failed to connect with financial impacts. Investors have a clear stance – the evaluation of shareholder proposals is becoming more nuanced, with reasonable support given to those that are clearly articulated, improve disclosure, and, most importantly, are financially relevant to the company's performance. We view this as an industry progression, moving from a general acknowledgment of material climate-related factors in business considerations to a focus on proposals that address more specific and financially significant risks.

> Votes were instructed against management on one or more resolutions at 57.4% of these meetings."

Board composition

Investors must give considerable attention to evaluating the expertise of a company's board. Boards today are tasked with managing an increasingly diverse and rapidly evolving array of risks and opportunities, including AI integration, cybersecurity threats, supply chain complexities, geopolitical tensions, sanctions risks, and regional conflicts. Although many companies provide skill matrices, investors often find it challenging to interpret these tools as assurance that the board can effectively scrutinise management on such multifaceted matters. From our perspective, we seek comprehensive disclosures and governance charters that explicitly address AI and cybersecurity oversight; skill matrices that clearly identify directors with genuine operational or domain expertise relevant to specific issues; detailed reporting on how incidents are managed; and strong oversight frameworks that let boards collaborate closely with management.

In essence, the 2025 proxy season underscored that effective stewardship is grounded in engagement and voting practices that align authentically with the investment thesis. In current times, stewardship also requires the capability to respond swiftly to evolving regulations and new disclosure requirements, while demonstrating credibility through a focused, transparent, and adaptive approach.

Global voting summary - H1 2025

AGMs	**1,649**
Voted in favour of management†	655
Voted against management#	991
Took no action*	3
EGMs	**108**
Voted in favour of management†	90
Voted against management#	17
Took no action*	1
Voted in favour of management†	**745**
Voted against management#	**1,008**
Took no action*	**4**
Total	**1,757**

† In favour of management on all resolutions.
# Against management on one or more resolutions. Including abstentions and withhold votes where there was no option to vote against.
* Took no action owing to share blocking or sanctions considerations.

For BNY Investments Newton, our voting record has remained broadly consistent compared to last year. During the first half of 2025, we exercised voting rights at 1,757 separate meetings. Votes were instructed against management on one or more resolutions at 57.4% of these meetings.

We are pleased with the positive progress our combined engagement and voting is making to corporate governance and strategy, and trust that you will enjoy reading about our activities in this report.

We would be delighted to receive any feedback you have and encourage you to talk to your BNY Investments Newton representative.

SECTION 1

KEY THEMES

MANAGEMENT RESOLUTIONS

> Withholding support for directors in such cases is not punitive - it is a clear, strategic signal to enforce accountability, reset expectations and protect long-term value. "

Board accountability

A company's board of directors plays a vital role in driving long-term value and protecting shareholder interests. It provides independent oversight of the company's strategic direction and ensures that management's execution aligns with shareholder priorities and broader stakeholder considerations.

An effective board brings diverse expertise (of experiences, skills and thoughts) and sound judgement, strengthening decision-making and holding management accountable. We believe an effective board is crucial to navigate complex risks, including technological, geopolitical, regulatory and operational risks, and capitalise on opportunities that may arise from these.

The board is ultimately responsible for key areas such as succession planning, corporate culture, risk management, and overall governance – key parameters that ensures smooth management execution. Consequently, having a robust and engaged board is critical for durable, long-term performance and signals to investors that a company is well-governed and positioned for success.

Given the importance of boards, we therefore consider voting on director (re)elections to be a critical role of shareholders. This mechanism allows shareholders to provide feedback on how an individual is performing their responsibilities on the board. It also provides investors with an escalation mechanism, especially in cases where there has been significant financial, reputational or commercial value destruction for an investee company, as these events often reflect failures in oversight, risk management or governance structures – core board responsibilities.

Withholding support for directors in such cases is not punitive – it is a clear, strategic signal to enforce accountability, reset expectations and protect long-term value.

Note: ***Purple*** represents a vote against management's recommendation, which is typically in support of the shareholder resolution, and ***Teal*** represents a vote in support of management's recommendation, which is typically against the shareholder resolution.

Mitsubishi UFJ Financial Group (MUFG)

Voted against top executives amid client data breach and employee conduct concerns

Background	Voting action
In 2024, Japan's Financial Services Agency took administrative actions against MUFG Bank and affiliated securities firms for repeatedly sharing non-public client information and violating financial regulations, leading to business improvement orders and executive pay cuts. In early 2025, a former MUFG Bank employee was arrested for theft from customer safe deposit boxes.	We deemed the aforementioned incidents as a failure of oversight and consequently voted against the top executives of the company. **Vote outcome** The nominees we voted against received 25-35% dissent on their re-elections, highlighting that a broad base of shareholders shared similar concerns.

Celsius Holdings

Voted against governance committee members for changes that limit shareholder rights

Background	Voting action
On 1 August 2024, the board unilaterally amended the company's bylaws to restrict shareholders' ability to call special meetings and to act by written consent, without providing any rationale or seeking shareholder approval.	Given that these changes concentrate power with the board, diminish shareholder rights to hold directors accountable or respond swiftly to opportunities, and represent a significant governance failure, we voted against the incumbent governance committee members. **Vote outcome** The governance committee nominees received dissenting votes ranging from 27.5% to 42.3%.

Netflix

Voted against an incumbent director due to poor attendance and governance concerns

Background	Voting action
At Netflix's 2025 annual shareholder meeting, 78% of votes were cast against the re-election of an incumbent director, primarily due to his attendance at board and committee meetings falling below the 75% threshold. In 2024, his attendance rate was approximately 50%. Additionally, the nominating committee consists of more than half long-tenured directors (those with over 12 years of service), which raises concerns about governance.	Based on these factors, we voted against the incumbent director's re-election to address concerns around board oversight and director engagement. **Vote outcome** After the vote, the incumbent director offered his resignation. The board's nominating and governance committee will review this and disclose its decision publicly within 90 days. This action highlights shareholder concerns about director attendance and governance practices.

Accor

Voted against the appointment of a director with an ongoing conviction

Background	Voting action
A current director, who is involved in ongoing cases with the French judiciary, including one that has resulted in a conviction, was nominated for re-election at Accor. The board has emphasised his political experience and networking abilities as notable contributions. However, directors, as representatives of all shareholders when elected, are expected to uphold the highest standards of conduct, which is essential for them to carry out their responsibilities effectively.	We examined the company's rationale for appointing the director. The company released a public quote highlighting that the director's conviction did not cover public directorships. While we acknowledged the rationale, we still considered that a clean judicial record was a necessary condition for us to support directors at companies we invest in. We consequently opposed the director's re-election. **Vote outcome** The director was elected by a thin margin, obtaining 52% of the votes cast.

Executive pay[1]

Executive compensation continues to be a critical area where investors must exercise careful judgment. In the UK, we have observed numerous proposals seeking increases in executive pay, whether through adjustments to fixed salaries or variable components. Each case is evaluated individually, taking into account the executive's performance, the company's overall results, and whether the pay structure supports alignment with shareholders' long-term interests.

In the US, there has been a notable prevalence of one-time awards granted to executives. Our approach involves thorough case-by-case assessments, incorporating insights from our investment teams. These insights are critical, as we notably encountered sector-specific compensation packages where quantum was unusual and required investment-led clarification. For example, in the defence sector we did not support 'say-on-pay' proposals where the one-time award/compensation structure was not aligned with our investors' expectations.

We support compensation packages where the rationale for such grants is well-founded and clearly linked to company and executive performance. Conversely, we oppose awards that lack alignment with performance outcomes or where the size or design of the grant does not serve shareholders' best interests.

Additionally, we have supported compensation arrangements where performance-based shares are minimal or absent, provided that time-based shares ensure long-term alignment. We consider this structure effectively aligns executives with the company's long-term strategic goals, fostering sustained value creation for shareholders.

Goldman Sachs

Supported say-on-pay proposal after meeting with lead director, gaining confidence in the rationale for one-off executive grants

Background	Voting action
Early in the 2025 fiscal year, the bank awarded off-cycle retention restricted stock units (RSUs) worth £80 million each to the CEO and chief operating officer (COO), without performance criteria. These awards were in addition to the one-off grants provided in the 2021fiscal year.	Given the magnitude of the award and the lack of any performance criteria, we engaged with the bank's investor relations team and lead director separately. The bank, particularly the lead director, clearly demonstrated the highly competitive environment faced by the executives. This provided valuable context regarding market trends and compensation packages at peer institutions, especially in areas like alternatives and hedge funds where the bank has some overlap. Furthermore, the bank outlined its succession planning actions, which we deemed strong. In addition, it highlighted that it does not plan on granting any further one-off awards, regardless of market developments or if peer pay packages keep increasing. In addition, the awards fully vest after five years, which provides some comfort on long-term alignment. Consequently, based on this rationale and our assessment of the executive's performance, we supported the say-on-pay proposal. **Vote outcome** The say-on-pay proposal received 34% dissent, and we understand the rationale behind the dissent. We will monitor the annual pay programme closely and may vote against it in future if the pay structure and programme are not aligned with the shareholder experience or if off-cycle grants persist.

[1] The terms 'compensation' and 'remuneration' are used interchangeably in this section.

Unilever

Voted against the remuneration report as we believe the company can improve alignment with long-term shareholder interests

Background	Voting action
The newly appointed CEO, who was previously the chief financial officer (CFO), was awarded a base salary of €1.8 million, modestly below the predecessor's €1.85 million base salary, but representing a 42% increase from his prior salary as CFO. In addition, the former CEO and the former CFO (who preceded them) received awards covering a full three-year performance period despite serving only 19 months and two years respectively, with vesting outcomes near 50% of the maximum opportunity.	While compensating the new CEO near the predecessor's level is understandable, a phased salary increase would have been preferable given past shareholder dissent over the predecessor's base pay, which was deemed high. Furthermore, the former CEO's exit arrangements (albeit decided by a previous board with different members) conflict with best practice, provide extra rewards, and reflect poorly on the board's negotiation and adherence to UK Investment Association guidelines. In addition, we believe the board could have increased the weight of long-term shares (even for the previous CEO) to ensure greater alignment with long-term shareholders. Consequently, we voted against the remuneration report. **Vote outcome** The remuneration report received 27.7% dissent. We will aim to engage with the company/board on this topic.

Stellantis

Voted against the remuneration report on account of excessive severance arrangements for the departing CEO

Background	Voting action
Stellantis' voting practices were contested by a significant proportion of shareholders. At the 2025 AGM, the company offered limited explanations on how it took into consideration shareholder concerns. Moreover, in the context of operational challenges that affected the share price, the CEO resigned and benefited from a severance arrangement that we believed was not proportionate to the shareholder experience during the last years of his tenure.	We consider separation agreements as necessary to secure smooth CEO transitions and non-compete provisions. However, they need to be capped and commensurate to the CEO's performance. In this case, the overall quantum of the exiting CEO's compensation, inflated by a generous severance arrangement and oversized transformational award that did not yield significant operational results, led us to vote against the compensation report. **Vote outcome** The remuneration report was opposed by 33% of shareholders, representing a significant proportion of publicly traded shares.

Anglo American

Voted against a compensation committee member and the compensation report given lack of compelling rationale for upward discretion by compensation committee

Background	Voting action
The compensation committee altered how a performance metric was applied, resulting in maximum vesting even though performance fell below the target. This was done outside the normal course of the compensation policy.	The explanation provided by the company for this upward adjustment was not considered sufficiently robust to justify exercising off-policy discretion, despite a modest effort to reduce the vesting outcome. The vesting did not appear to be proportionate to the shareholder experience during the performance years. We opposed the compensation report and the compensation committee member on ballot due to these concerns.
	Vote outcome
	6% of shareholders voted against the re-election of the compensation committee member, and 24.3% against the compensation report.

UnitedHealth

Voted against the compensation report which included a generous welcome package for the returning CEO in a difficult operational context

Background	Voting action
The company announced that the current board chair, who was also formerly CEO of the company, would be stepping in to lead the company as combined chair/CEO. In this context, he was granted a 'front-loaded' award (i.e. significant compensation was provided up front with the intention to serve as compensation for multiple years). Such awards offer little opportunity for boards to adjust or incentivise for performance during the vesting period.	Given the circumstances, we understood the board's decision to address compensation as part of its succession planning and to secure the right leadership for the company's turnaround. However, we believe the board should maintain considerable flexibility in adjusting awards, which is undermined by granting a substantial front-loaded award spanning three years. As a result, we did not support the say-on-pay proposal.
	Vote outcome
	40% of shareholders voted against the compensation report.

Climate

Climate-related proposals, while still visible in this year's proxy season, have moderated somewhat in volume. Nevertheless, the range remains broad – stretching from calls for additional disclosure and progress reporting, to demands for emission-reduction targets, transition roadmaps and lobbying alignment, and even to the impact of climate policy on retirement savings. The breadth is familiar, but the sharp edge of political debate has heightened scrutiny of which proposals truly matter to investors.

At BNY Investments Newton, our approach has always centred on financial materiality. Climate-related risks and opportunities can, in specific industries and geographies, directly shape cash flows, capital-allocation priorities, and asset durability. That said, we have also observed a steady rise in prescriptive resolutions – those that inadvertently can attempt to influence corporate strategy or impose rigid timelines without a clear or defensible connection to shareholder value. Such measures risk not only entrenching management but also impeding a board's responsibilities.

In our view, climate strategy is not a one-size-fits-all issue, nor should voting be. The only durable compass for stewardship is the investment case. Our support gravitates towards proposals that elevate transparency and disclosure in ways that sharpen our analysis and strengthen our conviction in a company's long-term resilience. Conversely, when proposals drift into territory without a clear link to financial outcomes, we believe the prudent course is restraint. The goal remains consistent – supporting only those measures that may improve risk-adjusted returns in an everchanging macro and political environment. Some examples to highlight our approach are highlighted below.

Goldman Sachs, Morgan Stanley, Wells Fargo and Bank of America

Background	Voting action
A shareholder resolution was submitted to Goldman Sachs, Morgan Stanley, Wells Fargo and Bank of America, seeking disclosure of the ratio of clean energy financing to fossil fuel financing. This was the second consecutive year this proposal was tabled. This is relevant to the business models of large, diversified banks with substantial activities in lending, underwriting and capital deployment. This metric is intended to provide transparency on the banks' alignment with the energy transition and therefore potential risks to the lending book. The resolution also asks the companies to define what they classify as clean energy and fossil fuels, improving comparability and investor understanding.	Disclosure of clean energy financing ratios is most relevant for banks whose core activities involve large-scale lending and/or underwriting to carbon-intensive sectors, as their financing decisions could influence the pace of, and their risk exposure to, the energy transition. The resolution aims to improve transparency on energy-transition financing by linking it to a meaningful metric without restricting management's strategic discretion. Unlike previous types of resolutions demanding an outright halt to financing new fossil-fuel projects, this request promotes enhanced disclosure and accountability, aligning with the banks' existing sustainable and green financing goals (where these exist). Consequently, given the potential benefits of enabling investors to better evaluate the banks' financing alignment with sustainability goals, we supported the resolution. Notably, the resolution was withdrawn for Citigroup and JPMorgan at the 2024 AGMs after these banks committed to disclose the clean-energy-to-fossil-fuel financing ratio. **Vote outcome** The shareholder resolutions received between 13.7% and 19.2% support at each of the companies. We will continue to monitor and assess how these disclosures evolve.

Climate in hard-to-abate sectors

Shell

Background	Voting action
Some UK shareholders had questions regarding Shell's strategic focus on liquefied natural gas (LNG).	We did not support the shareholder proposal as the company already provides detailed climate and energy-transition disclosures, including its Energy Transition Strategy 2024 and Climate and Energy Transition Lobbying report 2024, outlining its net-zero pathway and capital allocation approach. The strategy has broad shareholder backing. Our engagements with the company also covered the aspects of the 'just transition', which are being progressively integrated into its broader transition framework. Given this context, we did not view additional LNG-specific disclosures as necessary at this stage.
	Vote outcome
	The shareholder resolution was opposed by 79% of shareholders. The level of dissent prompted management to clarify its LNG disclosures but has had no impact on the company's climate strategy.

BP

Background	Voting action
Shareholders had expressed general dissatisfaction with the board's leadership and opposed the chair's re-election. Specifically, some shareholders (in particular, one shareholder activist) considered the board to be backtracking on climate commitments. These shareholders had been expecting a climate strategy vote.	We decided not to oppose the chair's re-election. The company announced a board succession and that a new chair would be appointed in 2026, so we did not consider the absence of an advisory climate vote as sufficient to oppose a departing chair.
	Vote outcome
	24% of shareholders opposed the chair's re-election, which led to the acceleration of his retirement, with no impact on the climate strategy.

SHAREHOLDER RESOLUTIONS

We have long held that voting on shareholder resolutions should not be an automatic exercise but rather an informed part of the investment process. Each vote demands careful analysis that considers the specific circumstances of the company in question, the materiality and practical impact of the resolution, and whether it truly addresses a significant issue. As most shareholder resolutions are non-binding, we do not see value in votes cast merely for the purpose of signalling. Accordingly, the right to file shareholder resolutions remains a vital tool, but it is one that should be used judiciously and only in exceptional circumstances to address substantive concerns between management and stakeholders. During the first half of 2025, we voted on 546 shareholder resolutions, compared to 657 in the same period last year. Overall, our supported resolutions resonated broadly with market acceptance, with the majority gaining over 20% support.

The 2025 proxy voting season has witnessed a dynamic shift in shareholder activism, with a marked decline in the volume of shareholder resolutions, particularly in environmental and social categories, as regulatory changes and evolving investor priorities reshape regional landscapes. Heightened scrutiny from regulatory bodies has led to increased omissions and withdrawals, reflecting a cautious approach among proponents.

While diversity, equity and inclusion (DE&I) resolutions and climate-related proposals faced reduced enthusiasm and fewer submissions amid shifting priorities, political spending proposals emerged as a counterpoint, reflecting heightened scrutiny in a polarised environment. Elsewhere, governance-related resolutions have continued to gain traction. These include efforts to separate combined CEO and chair roles, strengthen executive compensation oversight, and advance structural changes like board declassification and simplified voting requirements.

Emerging as a forward-looking theme, AI governance captured growing attention, with shareholders urging companies to establish oversight mechanisms and adhere to responsible AI principles.

In this section, we highlight some of the key themes for which we have seen resolutions proposed by shareholders and outline our thought process in analysing them.

Political lobbying and contributions

During the 2025 proxy season, a number of shareholder resolutions focused on corporate political contributions and lobbying activities. These proposals typically requested enhanced disclosures of both direct and indirect spending – such as payments to trade associations or tax-exempt corporations that engage in lobbying – as well as an assessment of whether such activities align with a company's stated public policies and values. This continued the multi-year trend reflecting investor concerns about regulatory and governance risks that may arise when political spending is not transparent or appears misaligned with a company's core commitments.

We review these proposals on a case-by-case basis, considering current disclosure quality, materiality of the company's political activity, and any appearance of misalignment. Where transparency is lacking and previous engagements and/or resolutions have not led to improvements, we are more likely to support enhanced disclosure.

It is worth noting that disclosures in this area often remain inconsistent and fragmented. Information is frequently spread across various sources, making it difficult to form a clear picture for investors.

The following examples illustrate a few instances where we supported shareholder proposals due to insufficient disclosures or concerns over alignment and oversight.

Spirit AeroSystems

Additional disclosures to assess its direct and indirect political contributions and related policies

Background	Voting action
The aerospace and defence company received a shareholder proposal requesting that it publishes a semi-annual report on its direct and indirect political contributions and related policies. The proposal underscores the growing importance of greater transparency in political spending, especially regarding contributions made through trade associations, super PACs (independent expenditure-only political action committees in the US), and 501(c)(4) US social welfare organisations. Despite the board's opposition, citing a policy against using corporate funds for federal political contributions, the company has not clarified whether similar restrictions or disclosures apply to contributions made to outside organisations, or at the state and local level. This lack of clarity makes it difficult for shareholders to assess if the company's political contributions are consistent with its values and policy positions. It is noteworthy that nearly half of shareholders supported a similar proposal in 2024, reflecting significant demand for such disclosure.	We supported this resolution to vote in favour of the proposal calling for increased transparency. Additional disclosure would benefit shareholders to assess whether the company's financial activities align with its public stances on key issues such as climate change and sustainability. It would also help clarify whether any company funds are directed towards third-party organisations that could influence political outcomes. **Vote outcome** The resolution was supported by 52.7% of shareholders voting.

Otis Worldwide

Enhancing political spending transparency

Background	Voting action
Shareholders requested that the industrial machinery manufacturer enhance its transparency regarding direct and indirect political spending. It is unclear if all political activities are managed solely through the company's political action committee (PAC) or if there are separate contributions, and the comprehensiveness of disclosed membership associations appears to lack detail. This lack of transparency reduces shareholders' ability to assess the risks and benefits of these contributions effectively.	We supported this resolution as we considered that shareholders would benefit from additional disclosure to assess this material risk to which the company is exposed. **Vote outcome** The resolution was supported by 39.7% of shareholders voting.

AutoNation

Enhancing political spending transparency

Background	Voting action
Shareholders at the speciality retail company submitted a shareholder resolution urging it to improve transparency around its political spending, including direct and indirect contributions. The latest proposal requested semi-annual disclosure of policies, procedures, and all electoral contributions, including identification of recipients and responsible decision-makers. Previous votes on similar proposals have received 27.7% shareholder support.	We supported this resolution as we considered that improved disclosure will allow investors to better understand the alignment of company spending with stated values, such as climate and sustainability commitments, and safeguard reputation and shareholder value. **Vote outcome** The resolution was supported by 30.1% of shareholders voting.

Artificial intelligence (AI)

AI-related shareholder proposals continued to be submitted at large technology companies during the 2025 AGM season, with proposals addressing issues such as data sourcing, ethical use, and human rights tied to advertising. While overall support levels remained modest, the steady flow of resolutions reflects sustained shareholder concern that rapid AI adoption poses governance, reputational, and legal risks. Data privacy and accountability remain central to the investment case, and repeated calls for greater disclosure indicate that AI governance will remain a focus of shareholder proposals in the years ahead.

Apple Inc.

Vote on shareholder proposal requesting a report on ethical AI data acquisition and usage

Background	Voting action
A shareholder resolution requested that Apple publish a report analysing risks from the use of external data in AI training and outlining mitigation steps. This followed a prior year's proposal focused more broadly on AI transparency and ethical guidelines.	We voted against the proposal, as Apple already discloses extensive information on its AI data practices and we did not consider an additional report to add value for shareholders at this time.
	Vote outcome
	The proposal received 11.6% support, with 88.4% of votes cast against.

Microsoft

Vote on shareholder proposal requesting a report on AI data sourcing accountability

Background	Voting action
A shareholder proposal requested that Microsoft publish a report detailing how it ensures accountability in the sourcing of data used to develop its AI systems.	We voted for the proposal, as we consider increased disclosure on AI data sourcing practices to add value for shareholders by strengthening oversight and accountability.
	Vote outcome
	The proposal received 36.2% support, with 63.8% of votes against.

Alphabet

Vote on shareholder proposal requesting a human rights impact assessment of AI-driven targeted advertising

Background	Voting action
A shareholder proposal requested that Alphabet publish a third-party human rights impact assessment examining the risks associated with AI-driven targeted advertising, including potential systemic discrimination and privacy concerns. Similar proposals have been filed at Alphabet in recent years, reflecting sustained investor interest in oversight of advertising practices.	We voted for the proposal, as we consider that a dedicated assessment of the human rights impacts of AI-driven advertising would provide meaningful insights and strengthen accountability over Alphabet's use of AI, adding value for shareholders. **Vote outcome** The proposal received 14.5% support, with 85.5% of votes cast against. Notably, among AI-related shareholder proposals at Alphabet this season, this item received the highest level of shareholder support.

Meta

Vote on shareholder proposal requesting a report on risks associated with the unethical or improper use of external data in AI systems

Background	Voting action
A shareholder proposal requested that Meta publish a report assessing risks associated with the unethical or improper use of external data in developing and deploying AI systems. Concerns were raised about the company's history of privacy controversies and ongoing regulatory scrutiny.	We voted for the shareholder proposal, as we consider additional disclosure on Meta's data practices to add value for shareholders by addressing material ethical and regulatory risks. **Vote outcome** The proposal received 9.9% support, with 90.9% of votes cast against.

Governance

Governance-focussed shareholder resolutions remained a key focus of the 2025 proxy season, with investors continuing to advocate for greater accountability, shareholder rights, and board independence. These proposals typically aim to strengthen long-term oversight and ensure governance frameworks remain responsive to evolving investor expectations.

Adoption of a simple majority vote

Using a simple majority vote helps guarantee that resolutions are either approved or rejected based on receiving more than half of the votes cast, thereby enhancing board accountability. A simple majority requires the backing of 50% of voting shareholders plus one share. In contrast, a supermajority standard demands support from two-thirds or three-quarters of those voting. We generally favour proposals to institute a simple majority vote, but we also evaluate if the company has a sunset clause in place or has already pledged to do away with supermajority requirements.

Provision/reduction of the ownership threshold to call special meetings

Lowering the ownership threshold required to call a special meeting allows shareholders greater ability to raise significant issues with the board, encouraging responsiveness to shareholder concerns. While such provisions are generally seen as strengthening shareholder rights, there may be circumstances where we may not support such resolutions. For example, a single shareholder could hold more shares than the new proposed threshold, potentially enabling misuse of the process, or the company itself may propose a reduction backed by compelling reasoning.

Requirement of an independent chair

Having an independent chair on the board is widely regarded as best practice, as it enhances oversight of management and supports decisions that prioritise shareholder interests. However, when evaluating proposals that call for an independent chair, we may choose not to support them in certain circumstances. These include situations where there is an effective lead director role that is regularly refreshed; when the board is navigating succession planning; if the board already has an independent chair; or if the proposal aims to make the resolution binding by amending the bylaws.

In summary, we believe these resolutions will strengthen shareholder rights and enhance corporate governance. At the same time, our case-by-case strategy enables us to hold boards accountable when necessary, while allowing management and directors room to adapt and progress, all within a framework of robust safeguards.

Eastman Chemical Company

Governance concerns add to voting decisions on requiring independent chair

Background	Voting action
A shareholder resolution requested the adoption of a policy to ensure the separation of the roles of chair and CEO, with the chair ideally being an independent director. The proponent emphasised the importance of this policy due to the company's succession planning and noted that the company's share price had stagnated between 2018 and late 2024.	We supported the shareholder proposal requiring an independent board chair, as we believed this would represent an enhancement to minority shareholders' rights and board oversight. **Vote outcome** The resolution was supported by 30.0% of shareholders.

CMS Energy

Enabling the right to call a special meeting

Background	Voting action
A shareholder resolution requested that the energy company allow shareholders with at least 10% ownership to call special meetings.	We supported the resolution, as we believe it is in the best interest of shareholders at this time. **Vote outcome** The resolution passed with 70.2% support.

JPMorgan

All eyes remain on succession planning

Background	Voting action
The financial services company was subject to a shareholder resolution requiring an independent board chair for a second year in a row. The company currently has a combined chair/CEO leadership and has a tenured lead independent director.	We believe that a key priority for the current board should be to ensure a smooth transition for the incumbent CEO. The current CEO has been in the role for a long time and has been synonymous with the company's success. Leadership succession should be carefully considered and well planned. Given that the transition is likely to happen in the next few years, we believe the board will require flexibility in terms of leadership structures available to it, and therefore we did not support the resolution for the second time in a row so as not to signal any disruptions for the board.
	Vote outcome
	The resolution was supported by 43.5% and 37.3% shareholders at the 2024 and 2025 AGMs respectively, indicating that a significant portion of the shareholder base feel an independent chair would provide better oversight. However, we believe the key issue remains a robust transition of leadership and believe the board would benefit from not having to implement unplanned changes. Nonetheless, we will monitor the management and board succession planning and its execution closely.

Boston Scientific

Adopting a simple majority vote

Background	Voting action
The request sought to remove the supermajority vote requirement and implement a simple majority vote for passing bylaws and amendments to enhance shareholder rights.	We supported the resolution as we believe that eliminating the supermajority vote requirement would enhance corporate governance and empower shareholder decision-making.
	Vote outcome
	The resolution passed with 95.9% support from shareholders.

Eli Lilly

Declassification of the board of directors

Background	Voting action
The proposal sought to declassify the board of directors, moving from staggered terms to annual elections, to increase board accountability and enhance shareholder rights at the pharmaceutical company.	We supported the resolution as we believe it will improve governance and shareholder influence on board composition.
	Vote outcome
	The resolution did not pass although it had approximately 70% support from shareholders.

Elimination of the supermajority vote requirement

Background	Voting action
The proposal aimed to remove the supermajority vote requirement for certain corporate actions, implementing a simple majority vote to streamline decision-making and strengthen shareholder rights.	We supported the resolution as it promotes more efficient governance and aligns with shareholder interests.
	Vote outcome
	The resolution did not pass although it had approximately 70% support from shareholders.

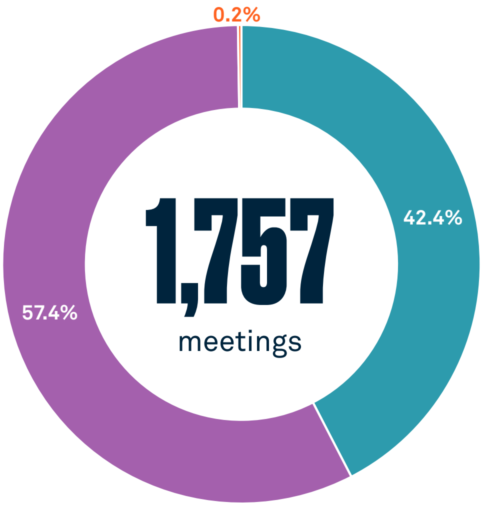
SECTION 2

H1 2025 VOTING STATISTICS

Voting activity on management resolutions

During the first half of 2025, we exercised voting rights at 1,757 separate meetings. Votes were instructed against management recommendations for one or more resolutions at 57.4% of these meetings.

Global voting summary



- Voted in favour of management on all resolutions
- Voted against management recommendation on one or more resolutions
- Took no action owing to share blocking or sanctions considerations

Resolutions voted against management

Votes against management-proposed resolutions

Articles/bylaws	1.1%
Audit related	17.3%
Board structure	38.3%
Remuneration policy/proposal	26.6%
Share capital	5.3%
Transaction related	1.1%
Other, including AOB	4.6%

Votes in favour of shareholder-proposed resolutions against the recommendations of management

Shareholder rights	2.4%
Board structure	1.0%
Remuneration structure	0.8%
Environmental/social proposal	1.1%
Other	0.5%

H1 2025 voting summary by region

- In favour of management on all resolutions.
- Against management on one or more resolutions. Including abstentions and withhold votes where there was no option to vote against.
- Took no action owing to share blocking or sanctions considerations.
- Region's % of our global vote.

UK

87%

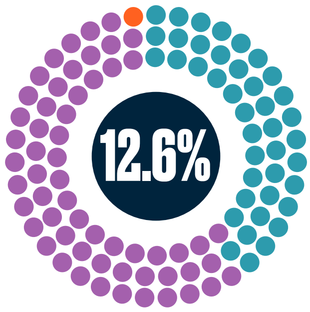
13%

EUROPE

39%

60%

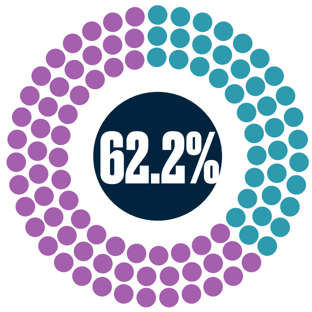
1%



NORTH AMERICA

39%

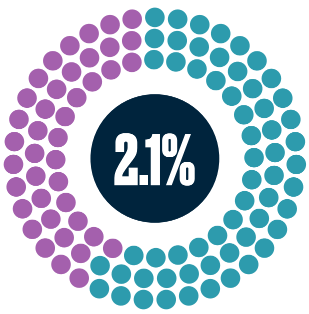
61%



LATIN AMERICA

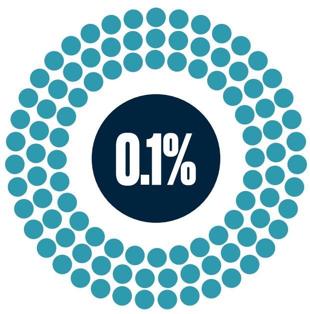
59%

41%



AUSTRALIA / NEW ZEALAND

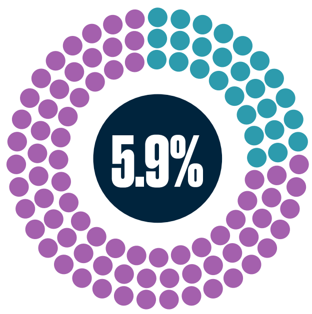
100%



JAPAN

27%

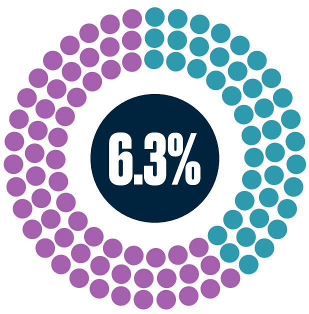
73%



ASIA

42%

58%

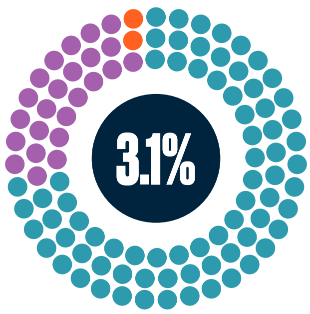


EMERGING MARKETS[2]

74%

24%

2%

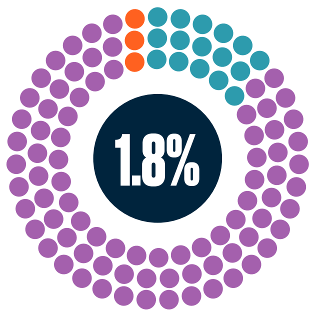


REST OF THE WORLD

16%

81%

3%



[2] Emerging markets dataset includes Bulgaria, Croatia, Cyprus, Czech Republic, Egypt, Hungary, India, Israel, Kenya, Lebanon, Lesotho, Liberia, Mauritius, Morocco, Pakistan, Poland, Qatar, Romania, Russia, Slovak Republic, South Africa, Tunisia, Turkey, Ukraine and Zimbabwe.
Source: Newton, as at 30 June 2025.

GLOSSARY

AGM (annual general meeting)
A yearly meeting where a company's shareholders gather to discuss company performance and vote on important issues.

Articles
A legal document that sets out the internal rules for how a company is run and managed.

Bylaws
Specific rules adopted by a company to guide its operations and decision-making.

CEO (chief executive officer)
The highest-ranking person in a company, ultimately responsible for taking managerial decisions.

CFO (chief financial officer)
An officer of a company who is assigned the primary responsibility for making decisions in relation to the company's finances.

Compensation committee
A group within the board that oversees how executives are paid and ensures pay aligns with company goals.

Declassification of the board
Changing from staggered board terms (where only some directors are elected each year) to annual elections for all directors.

Dissent
Votes cast against a proposal or candidate, showing disagreement or concern.

Director (re)election
The process of voting for or against the appointment or reappointment of board members.

EGM (extraordinary general meeting)
A special meeting called to address urgent matters that cannot wait until the next AGM.

Engagement
The purposeful dialogue that investors can have with companies, through which they seek to reduce risk or unlock value in an investment.

Governance committee
A board group responsible for overseeing company governance practices and policies.

Independent chair
A board chair who is not part of the company's management team, helping ensure unbiased oversight.

Just transition
Ensuring fair treatment for workers and communities as companies shift to more sustainable practices.

Lead director
A non-executive board member who acts as a liaison between the board and the company's management, especially when the chairman is not independent.

Management resolution
A proposal put forward by a company's management for shareholders to vote on.

Net-zero pathway
A plan for reducing greenhouse gas emissions to net zero, often by a specific date.

Nominating committee
A board group that identifies and recommends candidates for board positions, ensuring the board has the right skills and experience.

PAC (political action committee)
An organisation that collects political donations and contributes to campaigns or causes.

Performance-based shares
Company shares awarded to executives based on achieving specific goals or targets.

Proxy season
The period when many companies hold their annual meetings and shareholders vote on various proposals.

Quantum (in compensation context)
The total amount or size of a compensation award.

Restricted stock units (RSUs)
Company shares given to employees as part of their pay, which they receive after meeting certain conditions.

Sanctions considerations
Legal or regulatory restrictions that may affect voting or investment decisions.

Say-on-pay proposal
A shareholder vote on executive compensation packages, giving investors a voice on pay practices.

Share(s)
Also known as equity, is a security representing the ownership of a fraction of a company listed on the stock market.

Share blocking
A restriction that prevents shareholders from voting their shares for a certain period.

Shareholder proposal/resolution
A recommendation or request submitted by shareholders for a vote at a company meeting.

Simple majority vote
More than half of the votes cast are needed to approve a proposal.

Stewardship
The responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries. Good stewardship via active ownership seeks to protect and increase the value of investments over time.

Supermajority vote
A voting requirement that is higher than a simple majority, often two-thirds or three-quarters of votes.

Time-based shares
Shares awarded to employees based on how long they stay with the company.

Vesting
The process by which an employee earns the right to receive full benefits from stock options or other awards, usually after meeting certain conditions.

Voting in favour of/against management
Supporting or opposing the recommendations made by a company's management on resolutions.

WANT TO FIND OUT MORE?

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E: newton.charities@bny.com

Your capital may be at risk. The value of investments and the income from them can fall as well as rise and investors may not get back the original amount invested.

Important information

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