



Oldfield Partners

**Proxy voting, ESG and company engagement report
Q3 2021**

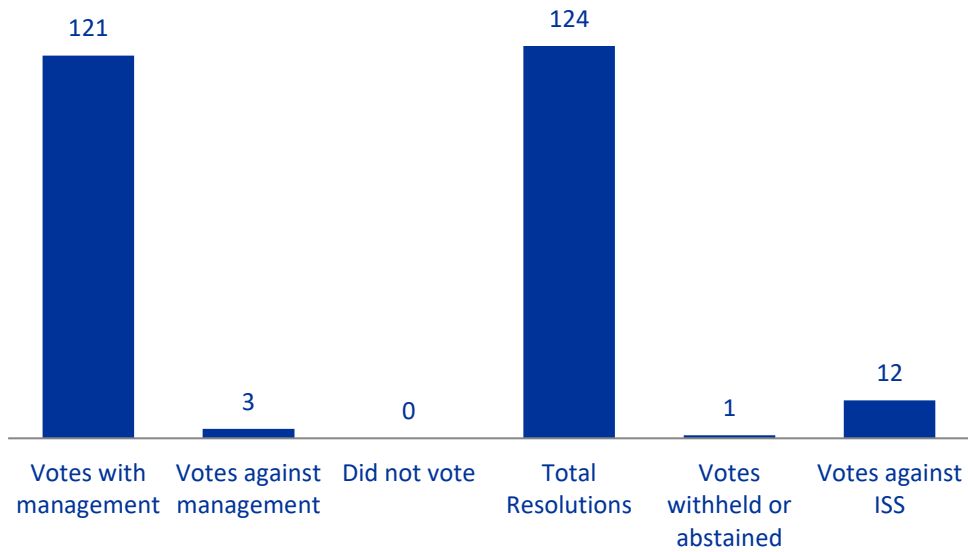
November 2021

Voting Summary *

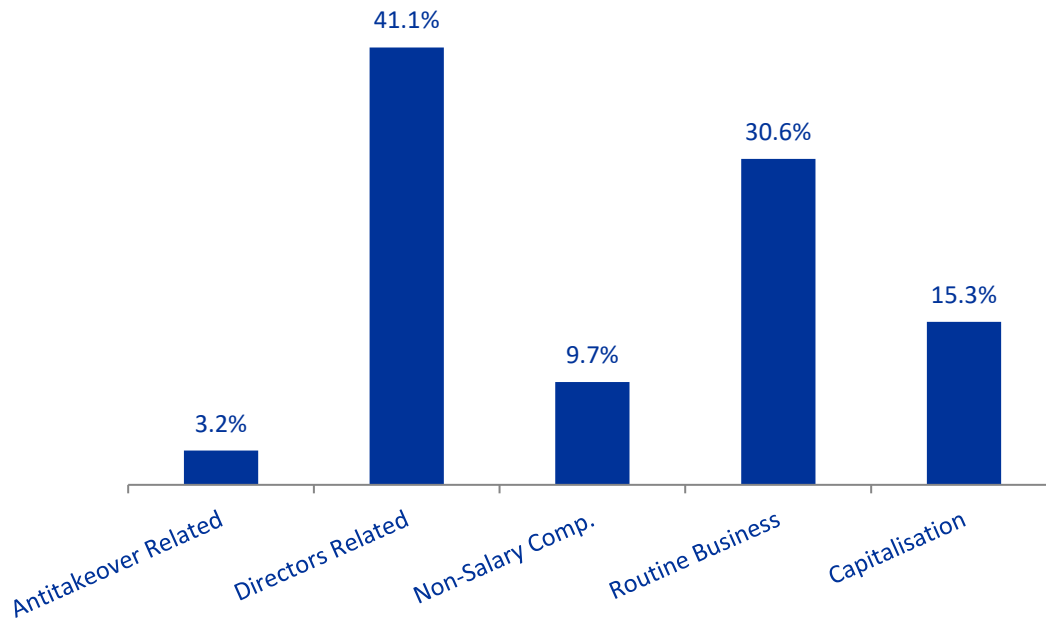
Total meetings available	=	13
Meetings instructed	=	13
Number of resolutions	=	124
Did not vote	=	0

**For clients who have delegated voting authority to Oldfield Partners.*

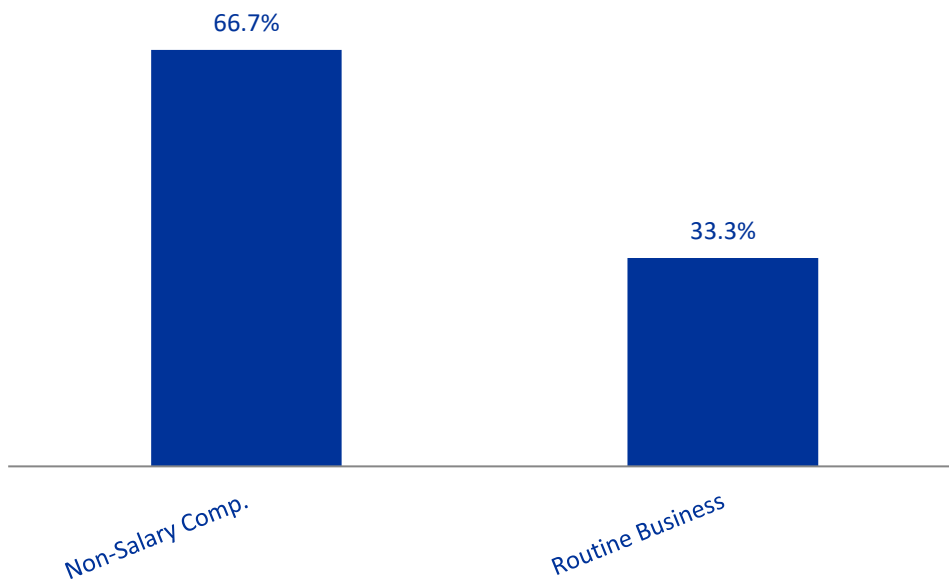
Vote Instructions



Breakdown of Resolutions



Breakdown of Votes Against Management



Commentary on voting against management

There were 3 votes against management in Q3 2021.

BT - Approve Remuneration Report

We voted against the remuneration report on the grounds that the remuneration policy continues to reward management for poor financial performance. We voted against this issue last year and engaged with the company then.

In terms of each of the points:

- 1) Pensions: The issues will be resolved over the next three years; however, we continue to believe is too long a timeframe.
- 2) Bonus scheme: This is the main reason for voting against the remuneration report. We are particularly concerned about the two financial metrics used – *normalised* free cash flow and *adjusted* EBITDA. Our concerns are as follows:
 - i. They allow for adjustments on restructuring costs that continue to be a large proportion of BT's profits in effect incentivising these adjustments to become perpetual. As shareholders we now consider these restructurings to be permanent and are a real cost to shareholders, but they are not captured in any of the metrics.
 - ii. These adjustments do not consider spending on spectrum, a core cost of the mobile business, and should be considered as part of the capital employed of this business.
 - iii. There is no allowance for an acquisition in these numbers although that is possibly captured by the ROCE underpin.

70% of the annual bonus is based on these financial metrics. In 2021 there were specific items of £403m (2020: £590m) that were stripped out of these two items. One of these items a settlement

with Dixons Carphone of £149m will enable BT to book higher profits going forward that will be included within the definitions of normalised free cash flow and adjusted EBITDA.

ISS seems content with the bonus structure as they say that we should vote in favour despite the poor financial performance as:

“The Remuneration Committee has exercised downward discretion on the formulaic bonus outcome, as has consistently been the case in recent years. In addition, the EDs agreed to defer the full bonus into shares for three years, as was the case FY2020 “

If management is persistently rewarded for poor financial performance, then we believe this constitutes a failure in the design of the annual bonus scheme. However, this does not seem to be recognised by ISS or the company.

3. RSP: We are happier with this scheme than the bonus scheme as it takes into account a return hurdle as well as simple high level profit metrics. However, the ROCE calculation in the Annual Report shows the numerator for the purpose of the calculation is also adjusted for specific items. We struggle to understand how the specific items do not represent a real cost to the company given the size and regular occurrence of these costs. Should these adjustments not be made then the ROCE of BT in 2021 would have been 7.2% rather than the stated 8.6%.

We asked the company at a recent meeting if there was any reason for them to engage on remuneration this year but they felt that given the long term plan had been approved last year there was no need to engage this year. We recognise that we are possibly in the minority of investors who are unhappy with BT's remuneration structure given the 90%+ approval that the company received last year and as a result will seek to engage with the Investor Forum and ISS on this issue.

Stagecoach Group - Approve Remuneration Report

Significant award outcomes have been achieved under the bonus plan in relation to FY2020/21 performance, which are not considered appropriate given the impact that the COVID-19 pandemic has had on the Company, resulting in headcount reductions, furloughing staff through participation in government assistance schemes and the suspension of dividend payments. The abstention vote acknowledges that discretion has been applied to reduce bonus outcomes so that no cash bonuses will be made in respect of FY2020/21, with the outstanding balance deferred into shares for three years and subject to additional performance metrics.

PT Indofood Sukses Makmur Tbk - Amend Articles of Association

A vote against this resolution is warranted given the lack of detailed information to make an informed voting decision.

Commentary on voting against ISS

There were 12 votes against ISS in Q3 2021.

BT - Approve Remuneration Report

For further details please see section above.

Alibaba Group Holding Limited - Elect Director J. Michael Evans

The reasons for voting with management is that the threshold of 50% independence is not met because of Kabir Misra (the Softbank representative) being considered as non-independent by ISS whereas he is

considered as neither independent nor non-independent by the company. Under this scenario there are 5 independents and 4 executives. Furthermore, a vote against Joseph Tsai is not warranted as he was one of the founders of Alibaba alongside Jack Ma and remains an important part of the management.

Alibaba Group Holding Limited - Elect Director Joseph C. Tsai

The reasons for voting with management is that the threshold of 50% independence is not met because of Kabir Misra (the Softbank representative) being considered as non-independent by ISS whereas he is considered as neither independent nor non-independent by the company. Under this scenario there are 5 independents and 4 executives. Furthermore, a vote against Joseph Tsai is not warranted as he was one of the founders of Alibaba alongside Jack Ma and remains an important part of the management.

Eurobank Ergasias Services & Holdings SA - Approve Remuneration Policy

We felt the remuneration policy was reasonable.

Frasers Group Plc - Approve Remuneration Report

We felt the targets were sufficiently high to justify the policy.

Frasers Group Plc - Re-elect Mike Ashley as Director

Ashley offers useful experience to the board as well as being the majority shareholder.

Frasers Group Plc - Approve Executive Share Scheme

We believe this is reasonable given the targets that must be met.

Jet2 Plc - Authorise Issue of Equity without Pre-emptive Rights

This is a useful tool for the company and we are aligned with Philip Meeson.

Jet2 Plc - Authorise Issue of Equity

As Above.

Jet2 Plc - Authorise Issue of Equity without Pre-emptive Rights in Connection with an Acquisition or Other Capital Investment

As Above.

Jet2 Plc - Re-elect Richard Green as Director

Richard Green offers useful experience to the board.

Engagement Report

Korea Electric Power (KEPCO)

Environmental, Carbon Emissions - During the quarter we engaged further with Korea Electric Power in our collaborative engagement with Climate Action 100+. Together, we have been lobbying KEPCO for about a year to improve climate-related disclosure, to adopt a net zero objective for 2050 and trying to get them to cease building new coal plants at home and abroad. Late in 2020, the company improved its climate-related disclosure and the company agreed to target net zero emissions by 2050. This was made possible by the change in stance of its controlling shareholder, the Korean Government, that itself adopted this objective. We had a call during late July this year to get an update on their coal and renewable plans. KEPCO confirmed that they would not begin building any more coal plants (other than those currently underway) either domestically or internationally (Vietnam and Indonesian plants under construction will be completed). KEPCO explained that they had agreed to provide 43 gigawatts (GW) of renewable power capacity of the national target of 58 GW by 2030. We noted that KEPCO was still not being allowed to earn its cost of capital and hence new investments including renewables would destroy capital. We asked whether this investment would be rewarded by further enhancements to the cost pass-through tariff structure, but investor relations felt this was unlikely. We began selling in August and completed the sale of KEPCO in September.

Nomura

Governance, Disclosure - In August and in response from a request from the company we provided suggestions on areas of improvement that we would like to see on disclosure within asset management. This included data on net inflows of cash and securities by demographic group. We are particularly interested in the investor trends of the 50-70-year-old cohort, enhanced disclosure on how Nomura's product sales compare with its peers (eg investment trusts), more detail in their roadmap which targets increased fee income in asset management, clarity on KPIs the company is measuring to gauge the success of their consulting business and their shift into private markets. In wholesale, we asked for better disclosure about the future role and risk framework for the prime brokerage division.

East Japan Railway

Governance, Board composition - In 2020 we expressed our view that the current lack of an independent majority undermines the board's effectiveness as a counterbalance to management. In June 2020, there were 12 on the board, of which only four members were independent (which is equal to the minimum of 33%) and only two of the independent directors (Ms Amano and Ms Kawamoto) were female. The President responded that in 2020 the number of outside directors had been increased, two are female and that he did not intend to change the composition further in the immediate future. Having expressed our disapproval, we were then pleased to see that in June 2021 the first internal female Board member was added (Ms Itoh) and the two existing independent female board members were reappointed. Progress was made on the gender balance. We will continue to engage to increase both the proportion of outside, independent directors and on diversity.

Governance, Cross shareholdings - In September 2020, at a meeting with President and CEO Kawamoto, we asked why the company had increased its cross shareholdings in JR companies and reiterated that we encourage management to reduce their cross shareholdings as soon as possible to zero. The President justified the addition to cross holdings of JR companies as part of their strategy to enhance safety and technological innovation, to improve collaboration on routing of trains etc. We countered that all those objectives could be realised without buying more cross shareholdings and that we were disappointed. We will continue to engage with management to encourage a reduction in cross shareholdings to zero.

Appendix 1: Detailed Voting Disclosure Disclosure Q3 2021

Company Name	Meeting Type	Meeting Date	Proponent	Proposal Text	Vote Instruction	Category Description	Vote Against Management	Vote Against ISS
Alibaba Group Holding Limited	Annual	17-Sep-21	Management	Ratify PricewaterhouseCoopers as Auditors	For	Routine Business	No	No
				Elect Director J. Michael Evans	For	Directors Related	No	Yes
				Elect Director Joseph C. Tsai	For	Directors Related	No	Yes
				Elect Director E. Borje Ekholm	For	Directors Related	No	No
Alpha Services & Holdings SA	Annual	22-Jul-21	Management	Approve Remuneration Policy	For	Non-Salary Comp.	No	No
				Approve Financial Statements and Income Allocation	For	Routine Business	No	No
				Approve Management of Company and Grant Discharge to Auditors	For	Directors Related	No	No
				Approve Auditors and Fix Their Remuneration	For	Routine Business	No	No
				Approve Director Remuneration for 2020	For	Directors Related	No	No
				Approve Advance Payment of Director Remuneration for 2021	For	Directors Related	No	No
				Advisory Vote on Remuneration Report	For	Non-Salary Comp.	No	No
				Approve Suitability Policy for Directors	For	Routine Business	No	No
				Authorize Board to Participate in Companies with Similar Business Interests	For	Directors Related	No	No
				Accept Financial Statements and Statutory Reports	For	Routine Business	No	No
				Approve Remuneration Report	Against	Non-Salary Comp.	Yes	Yes
BT Group Plc	Annual	15-Jul-21	Management	Authorise Issue of Equity without Pre-emptive Rights	For	Capitalisation	No	No
				Authorise Market Purchase of Ordinary Shares	For	Capitalisation	No	No
				Authorise the Company to Call General Meeting with Two Weeks' Notice	For	Antitakeover Related	No	No
				Authorise Issue of Equity	For	Capitalisation	No	No
				Authorise Issue of Equity without Pre-emptive Rights in Connection with an Acquisition or	For	Capitalisation	No	No
				Reappoint KPMG LLP as Auditors	For	Routine Business	No	No
				Authorise UK Political Donations and Expenditure	For	Routine Business	No	No
				Adopt New Articles of Association	For	Routine Business	No	No
				Authorise the Audit and Risk Committee to Fix Remuneration of Auditors	For	Routine Business	No	No
				Re-elect Jan du Plessis as Director	For	Directors Related	No	No
				Re-elect Philip Jansen as Director	For	Directors Related	No	No
				Re-elect Simon Lowth as Director	For	Directors Related	No	No
				Re-elect Adel Al-Saleh as Director	For	Directors Related	No	No
				Re-elect Sir Ian Cheshire as Director	For	Directors Related	No	No
				Re-elect Iain Conn as Director	For	Directors Related	No	No
				Re-elect Isabel Hudson as Director	For	Directors Related	No	No
				Re-elect Matthew Key as Director	For	Directors Related	No	No
				Re-elect Allison Kirkby as Director	For	Directors Related	No	No
				Re-elect Leena Nair as Director	For	Directors Related	No	No
				Re-elect Sara Weller as Director	For	Directors Related	No	No
Dixons Carphone Plc	Annual	15-Sep-21	Management	Accept Financial Statements and Statutory Reports	For	Routine Business	No	No
				Approve Remuneration Report	For	Non-Salary Comp.	No	No
				Authorise Issue of Equity without Pre-emptive Rights	For	Capitalisation	No	No
				Authorise Market Purchase of Ordinary Shares	For	Capitalisation	No	No
				Authorise the Company to Call General Meeting with Two Weeks' Notice	For	Antitakeover Related	No	No
				Authorise Issue of Equity	For	Capitalisation	No	No
				Approve Final Dividend	For	Routine Business	No	No
				Reappoint Deloitte LLP as Auditors	For	Routine Business	No	No
				Authorise UK Political Donations and Expenditure	For	Routine Business	No	No
				Authorise Board to Fix Remuneration of Auditors	For	Routine Business	No	No
				Elect Bruce Marsh as Director	For	Directors Related	No	No
				Re-elect Alex Baldock as Director	For	Directors Related	No	No
				Re-elect Eileen Burbidge as Director	For	Directors Related	No	No
				Re-elect Tony DeNunzio as Director	For	Directors Related	No	No
				Re-elect Andrea Gisle Joosen as Director	For	Directors Related	No	No
				Re-elect Lord Livingston of Parkhead as Director	For	Directors Related	No	No
Re-elect Fiona McBain as Director	For	Directors Related	No	No				
Re-elect Gerry Murphy as Director	For	Directors Related	No	No				
Embraer SA	Extraordinary Share	16-Aug-21	Management	Add Articles 64 and 65 Re: Election of Directors for 2021-2023 Biennium	For	Routine Business	No	No
				Elect Todd M. Freeman as Independent Director	For	Directors Related	No	No
				Elect Kevin G. McAllister as Independent Director	For	Directors Related	No	No
Eurobank Ergasias Services & Holdings SA	Annual	23-Jul-21	Management	Approve Remuneration Policy	For	Non-Salary Comp.	No	Yes
				Approve Remuneration of Directors	For	Directors Related	No	No
				Approve Financial Statements and Income Allocation	For	Routine Business	No	No
				Approve Management of Company and Grant Discharge to Auditors	For	Directors Related	No	No
				Approve Auditors and Fix Their Remuneration	For	Routine Business	No	No
				Advisory Vote on Remuneration Report	For	Non-Salary Comp.	No	No
				Approve Suitability Policy for Directors	For	Routine Business	No	No
				Ratify Director Appointment	For	Directors Related	No	No
				Elect Directors (Bundled)	For	Directors Related	No	No
				Approve Type, Composition, and Term of the Audit Committee	For	Routine Business	No	No
Frasers Group Plc	Annual	29-Sep-21	Management	Accept Financial Statements and Statutory Reports	For	Routine Business	No	No
				Approve Remuneration Report	For	Non-Salary Comp.	No	Yes
				Authorise Issue of Equity without Pre-emptive Rights	For	Capitalisation	No	No
				Authorise Market Purchase of Ordinary Shares	For	Capitalisation	No	No
				Authorise the Company to Call General Meeting with Two Weeks' Notice	For	Antitakeover Related	No	No
Approve Remuneration Policy	For	Non-Salary Comp.	No	Yes				

Company Name	Meeting Type	Meeting Date	Proponent	Proposal Text	Vote Instruction	Category Description	Vote Against Management	Vote Against ISS
Frasers Group Plc	Annual	29-Sep-21	Management	Authorise Issue of Equity	For	Capitalisation	No	No
				Authorise Issue of Equity without Pre-emptive Rights in Connection with an Acquisition or	For	Capitalisation	No	No
				Authorise Board to Fix Remuneration of Auditors	For	Routine Business	No	No
				Adopt New Articles of Association	For	Routine Business	No	No
				Re-elect David Daly as Director	For	Directors Related	No	No
				Re-elect Mike Ashley as Director	For	Directors Related	No	Yes
				Re-elect David Brayshaw as Director	For	Directors Related	No	No
				Re-elect Richard Bottomley as Director	For	Directors Related	No	No
				Re-elect Cally Price as Director	For	Directors Related	No	No
				Re-elect Nicola Frampton as Director	For	Directors Related	No	No
				Re-elect Chris Wootton as Director	For	Directors Related	No	No
				Reappoint RSM UK Audit LLP as Auditors	For	Routine Business	No	No
				Approve Executive Share Scheme	For	Non-Salary Comp.	No	Yes
				Authorise Issue of Equity in Connection with a Rights Issue	For	Capitalisation	No	No
				Authorise Political Donations and Expenditure	For	Routine Business	No	No
				Amend All-Employee Omnibus Plan	For	Non-Salary Comp.	No	No
				Jet2 Plc	Annual	02-Sep-21	Management	Accept Financial Statements and Statutory Reports
Authorise Issue of Equity without Pre-emptive Rights	For	Capitalisation	No					Yes
Authorise Issue of Equity	For	Capitalisation	No					Yes
Authorise Issue of Equity without Pre-emptive Rights in Connection with an Acquisition or	For	Capitalisation	No					Yes
Reappoint KPMG LLP as Auditors	For	Routine Business	No					No
Authorise Board to Fix Remuneration of Auditors	For	Routine Business	No					No
Re-elect Stephen Heapy as Director	For	Directors Related	No					No
Re-elect Richard Green as Director	For	Directors Related	No	Yes				
Korea Electric Power Corp.	Special	10-Aug-21	Management	Elect Kim Jae-shin as a Member of Audit Committee	For	Routine Business	No	No
Korea Electric Power Corp. ADR	Special	10-Aug-21	Management	Elect Kim Jae-shin as a Member of Audit Committee	For	Routine Business	No	No
PT Indofood Sukses Makmur Tbk	Annual	27-Aug-21	Management	Approve Allocation of Income	For	Routine Business	No	No
				Accept Annual Report and Statutory Reports	For	Routine Business	No	No
				Accept Financial Statement	For	Routine Business	No	No
				Approve Changes in the Board of the Company	For	Directors Related	No	No
				Approve Remuneration of Directors and Commissioners	For	Directors Related	No	No
				Approve Auditors and Authorize Board to Fix Their Remuneration	For	Routine Business	No	No
				Amend Articles of Association	Against	Routine Business	Yes	No
Stagecoach Group Plc	Annual	03-Sep-21	Management	Accept Financial Statements and Statutory Reports	For	Routine Business	No	No
				Approve Remuneration Report	Abstain	Non-Salary Comp.	Yes	No
				Authorise Issue of Equity without Pre-emptive Rights	For	Capitalisation	No	No
				Authorise Market Purchase of Ordinary Shares	For	Capitalisation	No	No
				Authorise the Company to Call General Meeting with Two Weeks' Notice	For	Antitakeover Related	No	No
				Authorise Issue of Equity	For	Capitalisation	No	No
				Authorise the Audit Committee to Fix Remuneration of Auditors	For	Routine Business	No	No
				Authorise Issue of Equity without Pre-emptive Rights in Connection with an Acquisition or	For	Capitalisation	No	No
				Authorise UK Political Donations and Expenditure	For	Routine Business	No	No
				Re-elect Gregor Alexander as Director	For	Directors Related	No	No
				Re-elect James Bilefield as Director	For	Directors Related	No	No
				Re-elect Martin Griffiths as Director	For	Directors Related	No	No
				Re-elect Ross Paterson as Director	For	Directors Related	No	No
				Re-elect Sir Brian Souter as Director	For	Directors Related	No	No
				Re-elect Ray O'Toole as Director	For	Directors Related	No	No
				Re-elect Karen Thomson as Director	For	Directors Related	No	No
				Re-elect Lynne Weedall as Director	For	Directors Related	No	No
				Reappoint Ernst & Young LLP as Auditors	For	Routine Business	No	No
				Approve Share Incentive Plan	For	Non-Salary Comp.	No	No