



Oldfield Partners

Proxy voting and company engagement report

Q4 2023

January 2024

Engagement Report

This quarter we opened discussions on human rights related issues with two portfolio companies. Human rights are a foundation of the 'social' pillar, and the idea is as simple as it is powerful: that people have a universal right to be treated with Dignity (Source: UN PRI). The implications from an investment perspective comprise a company's legal responsibility, reputational risk, and its associated financial materiality. In our approach, we leverage the framework provided by the UN Guiding Principles on Business and Human Rights (UN GP) which comprises the following three key pillars. 1. The state duty to protect human rights 2. The corporate responsibility to respect human rights 3. Access to remedy.

Sanofi

In December, we spoke to a team at Sanofi, a French domiciled pharmaceutical company, in relation to two drugs, depakine and dengvaxia. The purpose of the discussion was to explore Sanofi's role within the UN GP's third pillar, access to remedy. This followed a detailed conversation with the company in 2020 and reflects the evolution of legal proceedings in the years since. The two drugs are better addressed individually and we summarise these below.

Depakine is an anti-epilepsy drug that was first marketed in the 1960s. Following identification in the 1980s that the drug could adversely impact foetal development when taken during pregnancy, a complex interaction between the company and the French state ensued. Today, this interaction is still seeking resolution in the courts, with compensation being sought by victims. Sanofi recognise that there are victims involved. They are clear that their responsibility is to inform the health authorities of new arising risks and request a label update, which they state they have adhered to. Once informed, the health authority are 'sovereign in their decision' and the liability is passed with this. Sanofi highlight the labelling issues faced in France as an anomaly (elsewhere the changes were made), implicating the French state.

Dengvaxia is an anti-dengue vaccine launched in 2016. Contrary to the accusations, Sanofi do not accept that anyone died as a result of the vaccine. They believe it was a politically motivated campaign in the Philippines and point to the vaccination programme in Brazil (over 300,000 people vaccinated) and findings from the World Health Organisation, to support this.

Sanofi appear resolute in their position. With the legal system, governmental and intergovernmental bodies involved, it is not clear that we have the ability to influence a better outcome as a shareholder and will therefore continue to monitor the situation rather than take any further immediate action.

Eni S.p.A

In December, we contacted the Investor Relations team at Eni, an Italian multinational integrated energy company. Whilst we have spoken to the team in the past about their decarbonisation efforts, this conversation related to an ongoing controversy of Eni's Nigeria Agip Oil Company (NAOC) which has faced opposition from indigenous groups over the company's alleged denial of privileges to local communities. We are aware that Eni have signed an agreement to sell NAOC subject to government approval but nevertheless wanted to better understand the policies in place with reference to global frameworks such as the UN GP, as well as the extent to which the ongoing respect for human rights and the level of required oversight had been considered as part of the agreement to sell NAOC. We expect to hold a follow-up discussion with the team in the first quarter of 2024.

NOV Inc.

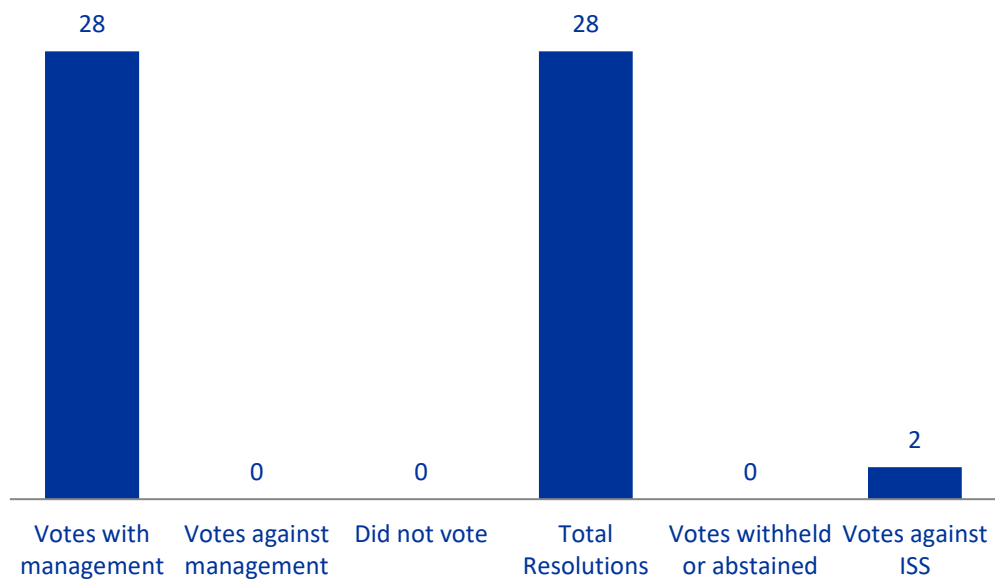
From a climate perspective, the main discussion during the quarter was with NOV Inc, a global energy services company, domiciled in the US. This was our fourth discussion with the company, as we continue to pursue better disclosure, encouraging reporting via a TCFD framework for increased transparency on strategy, metrics, and targets. Progress to date has been incremental and this conversation reflected more of the same. Our objective is now to broaden our discussions to other members of the team at NOV who can provide better insight into their delay, as well as understand the position of other major shareholders.

Voting Summary*

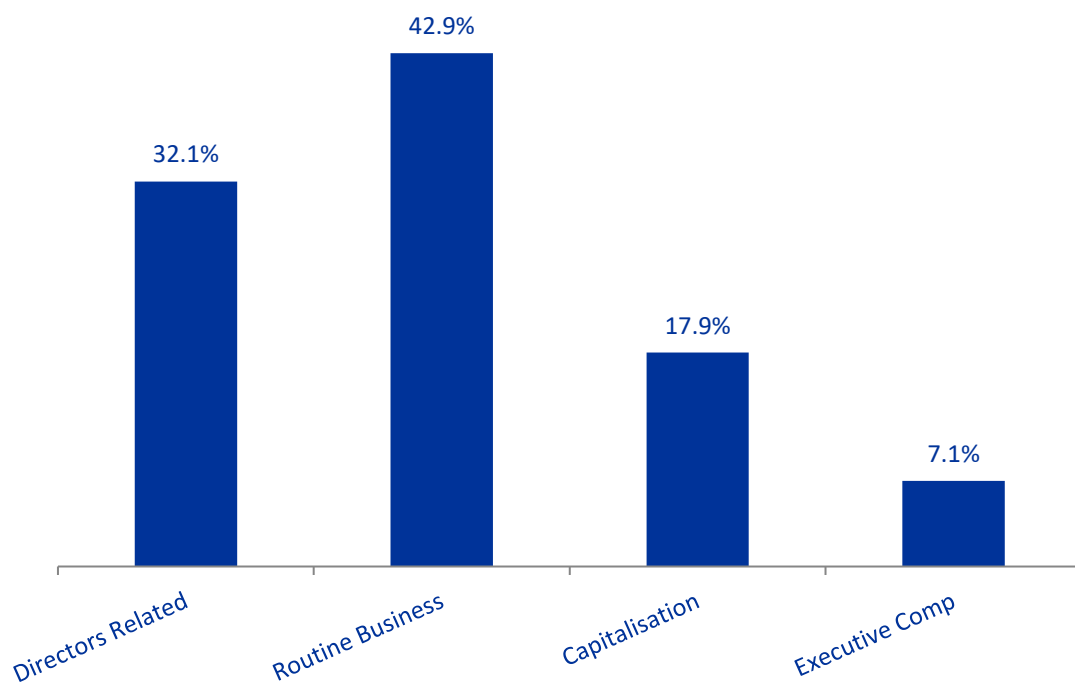
Total meetings available	=	5
Meetings instructed	=	5
Number of resolutions	=	28
Did not vote	=	0

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

Vote Instructions



Breakdown of Resolutions



Breakdown of Votes Against Management

There were no votes against management in Q4 2023.