



ROTHSCHILD & CO BANK AG | MARCH 2023

Proxy Voting Report 2022

Cover: an aerial view over the Wairau Valley, Wairau River, Marlborough, South Island, New Zealand.



Proxy voting report

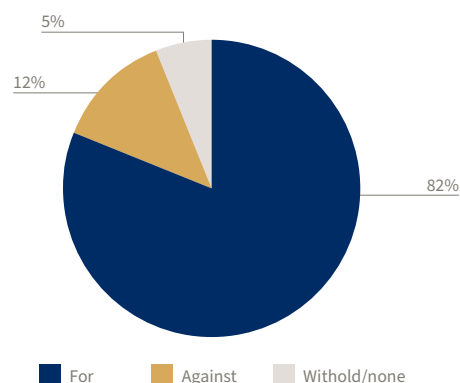
2022 was in every way a highly challenging year. In addition to the Russian invasion of Ukraine at the beginning of the year, followed by disruptions in the energy market and a surge in inflation, 2022 also saw the market preparing for the introduction of the Sustainable Finance Disclosure Regulation (SFDR), which was introduced by the European Union (EU). The regulation was introduced to provide greater transparency and to focus more on defining sustainable investments. In order to implement these new regulatory requirements, a new ESG approach has been adopted by Rothschild & Co Bank AG (the “Bank”) and the definition of sustainable investments has been amended. With these important steps, the topic of sustainability has now been further embedded in the Bank’s investment principles.

Due to the new transparency requirements and data disclosures, investors should now be able to better understand a company’s sustainability performance, which will then have an impact on their engagement and voting activities (proxy voting). The latter remain an important part of the Bank’s strategy to adopt an active role in its holdings and promote a more sustainable future.

APPROACH

Throughout 2022, the Bank adhered to its responsible investing principles and continued to be an active and responsible shareholder in its portfolio companies. This was emphasized by its proxy voting activities. In 2022, the Bank proxy-voted for most of the companies whose equities were held in the Bank’s funds and discretionary mandates. For its sustainability research, the Bank relies on the research provided by MSCI ESG Research LLC (UK)¹ as well as proxy voting recommendations from Institutional Shareholder Service (ISS). ISS’s recommendations are based on a socially responsible investing (SRI) policy² that the Bank considers to be most in line with its own sustainability principles. SRI considers not only sustainable returns and

FIGURE 1: SHARE OF VOTES CAST



Source: Rothschild & Co, ISS
Note: Percentages may not sum to 100% due to rounding.

good governance of a company, but also the ethical behavior as well as social and environmental impacts of a company’s actions. The Bank’s equity analysts assess and analyze ISS’s recommendations by also collaborating with the research teams of other asset and wealth management units of the Rothschild & Co Group and submit their final voting recommendations to the Investment Committee of the Bank for validation (please see our stewardship guidelines for further information³).

2022 VOTING

In 2022 Rothschild & Co Bank AG voted at the annual general meetings of 45 companies (compared to 33 in 2021). This large increase was the result of a contractual update in 2021, which means that proxy votes can now also be submitted for discretionary mandates in Switzerland.

In total, the Bank voted on 816 proposals (vs 628 in 2021), of which 708 were submitted by management and 63 by shareholders. 45 proposals were non-voting items⁴, or the Bank withheld its vote. The Bank voted “for” 668 proposals, corresponding to 82% of the total proposals (figure 1). In 12% of the cases, the Bank voted “against”⁵.

¹ MSCI ESG Research

² ISS SRI Proxy Voting Guidelines 2023

³ Rothschild & Co Stewardship Guidelines

⁴ Non voting items: Items on the agenda such as “open meeting”, “close meeting” and others.

⁵ Please note that votes from Rothschild & Co Vermögensverwaltung GmbH are not included and presented on a separate page.

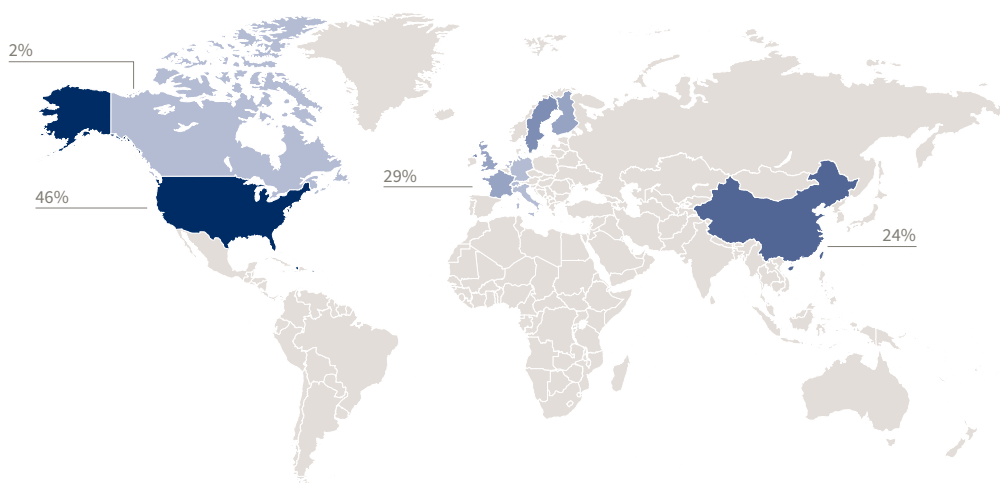
Figure 2 depicts an overview of the regional distribution of the companies the Bank voted for.

The sector split of votes cast can be seen in figure 3 below. The top three sectors were industrials, consumer cyclical and communication services. Together, these three sectors represent close to 55% of total votes cast in 2022.

A detailed overview of the companies and the annual general meetings/extraordinary general meetings (“AGMs”/“EGMs”) the Bank voted on is provided in figure 4. Here you can see the number of votes cast, as well as the number of proposals where the Bank voted “for” or “against” a proposal.

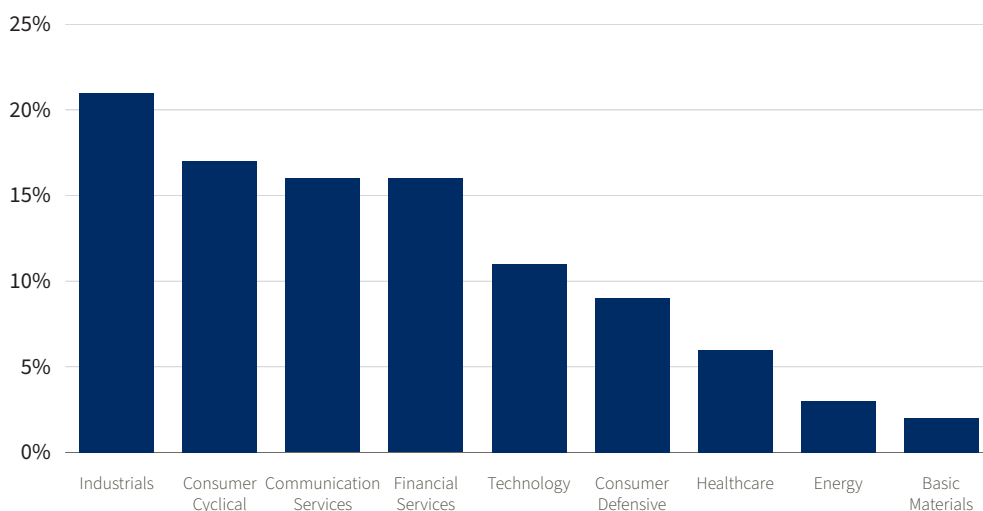
The Bank voted against the board recommendations on some of the proposals (companies marked in grey). Further information on why the Bank voted against a company’s board recommendations are detailed in the topics column.

FIGURE 2: SHARE OF VOTES CAST BY REGION



Source: Rothschild & Co, ISS

FIGURE 3: SHARE OF VOTES CAST BY SECTOR



Source: Rothschild & Co, ISS

**FIGURE 4: DETAILED OVERVIEW OF AGMS/EGMS AND VOTES CAST FOR ROTHSCHILD & CO BANK ZURICH
(CONTINUES ON PAGE 6)**

COMPANY	AGM/EGM	VOTES CAST	NUMBER OF PROPOSALS - FOR	NUMBER OF PROPOSALS - AGAINST	VOTES AGAINST BOARD	VOTES AGAINST SHAREHOLDERS	TOPICS
Costco	20.01.22	59,527	13	2	0	2	
Visa, Inc.	25.01.22	280,228	11	1	1	0	Voted against ratification of executive officer compensation
Kone	01.03.22	229,498	15	0	0	0	
Apple	04.03.22	362,504	14	4	10	0	Voted against certain directors and for approval of shareholder proposals
Novartis	04.03.22	63,812	27	1	1	0	Voted against other items
Givaudan SA	24.03.22	85	21	1	1	0	Voted against other items
Zurich Insurance	06.04.22	7,446	27	2	2	0	Voted against remuneration report
Nestlé	07.04.22	152,537	26	2	1	0	Voted against re-election of a director
Sika	12.04.22	9,660	20	1	1	0	Voted against other items
Vinci	12.04.22	171,422	18	0	0	0	
Geberit	13.04.22	3,783	17	0	0	0	
Ferrari	13.04.22	14,731	19	2	2	0	Voted for election of director and issuance of special voting shares
Adobe	14.04.22	83,080	10	4	4	0	Voted against election of certain directors
Epiroc	25.04.22	1,287,327	44	0	0	0	
Moody's	26.04.22	19,337	12	0	0	0	
Johnson & Johnson	28.04.22	83,359	20	6	11	2	Voted against election of certain directors, voted for most of the shareholder proposals
ASML	29.04.22	24,845	16	0	0	0	
American Express	03.05.22	108,902	12	5	6	0	Voted against election of certain directors and in favor of the shareholder proposal
Allianz	04.05.22	74,579	17	1	1	0	Voted against approval of remuneration report
S&P Global	04.05.22	124,556	16	0	0	0	
T. Rowe Price	10.05.22	240,210	11	4	4	0	Voted against election of certain directors
Danaher	10.05.22	196,290	10	6	7	0	Voted against election of certain directors and for the shareholder proposal
JPMorgan Chase	17.05.22	234,020	10	8	10	2	Voted against election of certain directors and against the compensation approval. Voted for most of the shareholder proposals
SAP	18.05.22	11,184	11	0	0	0	
Tencent	18.05.22	453,272	8	2	2	0	Voted against issue of additional shares
Tencent (EGM)	18.05.22	453,272	0	1	1	0	Voted against issue of additional shares
Thermo Fisher Scientific	18.05.22	43,522	10	4	4	0	Voted against election of certain directors

**FIGURE 4: DETAILED OVERVIEW OF AGMS/EGMS AND VOTES CAST FOR ROTHSCHILD & CO BANK ZURICH
(CONTINUED FROM PAGE 5)**

COMPANY	AGM/EGM	VOTES CAST	NUMBER OF PROPOSALS - FOR	NUMBER OF PROPOSALS - AGAINST	VOTES AGAINST BOARD	VOTES AGAINST SHAREHOLDERS	TOPICS
Otis	19.05.22	221,152	6	6	5	1	Voted against election of certain directors, against ratification of auditors and against the shareholder proposal
Canadian National Railway	20.05.22	219,431	10	0	0	0	
TotalEnergies	25.05.22	254,881	19	4	4	0	Voted against election of certain directors and against approval of companies sustainability and climate transition plan (lack of ambition)
Partners Group	25.05.22	5,193	23	2	2	0	Voted against election of certain directors and other items
Amazon	25.05.22	19,241	19	9	19	2	Voted against election of certain directors, against ratification of compenstaion. Voted for most of the shareholder proposals
Morgan Stanley	26.05.22	330,505	13	4	5	0	Voted against election of certain directors and for the shareholder proposal on the adoption of a fossil fuel lending policy
Adyen	01.06.22	884	10	0	0	0	
Comcast	01.06.22	685,712	11	2	3	2	Withheld from votes electing certain directors. Voted for most of the shareholder proposals
MasterCard	03.06.22	117,074	15	5	7	1	Voted against election of certain directors and for most shareholder proposals
UnitedHealth	06.06.22	168,717	8	4	6	0	Voted against election of certain directors and for shareholder proposals
Salesforce	09.06.22	157,240	17	2	4	0	Voted against election of certain directors and for shareholder proposals
Linde	08.07.22	150,023	14	2	3	0	Voted against election of certain directors and for shareholder proposals
Nike	09.09.22	243,816	5	1	3	0	Voted against election of certain directors and for shareholder proposals
Alibaba	30.09.22	1,434,994	6	1	1	0	Voted against election of certain directors
Diageo	06.10.22	381,949	22	0	0	0	
Procter & Gamble	11.10.22	225,331	10	3	3	0	Voted against election of certain directors
Estée Lauder	17.11.22	37,034	6	0	0	0	
Microsoft	13.12.22	477,598	19	1	5	1	Voted for most of the shareholder proposals

Source: Rothschild & Co, ISS

**VOTING RECOMMENDATIONS
OF ROTHSCHILD & CO
VERMÖGENSVERWALTUNG GMBH IN 2022**

Our subsidiary in Germany began its voting process during the second half of 2022. The general approach follows the Bank's guidelines. Until now, the voting process has concerned only the core investments held across funds/sub-funds of the investment management company, Axxion S.A. 15, rue de Flaxweiler, L-6776 Grevenmacher, for which Rothschild & Co Vermögensverwaltung GmbH is mandated as a portfolio manager.

Rothschild & Co Vermögensverwaltung GmbH is not the owner of the voting rights and therefore does not exercise them. Instead, it provides the investment management company with voting recommendations which are in line with the Bank's guidelines.

Figure 5 shows the recommendations of Rothschild & Co Vermögensverwaltung GmbH, Börsenstraße 2-4, D-60313 Frankfurt am Main (portfolio manager) on how to exercise the voting rights in the portfolio companies held by the sub-funds in the legal form of a stock corporation or a legal form comparable to a stock corporation. This is in accordance with the national laws of the respective portfolio companies that applied to the investment management company in 2022.

FIGURE 5: RECOMMENDATIONS OF ROTHSCHILD & CO VERMÖGENSVERWALTUNG GMBH

COMPANY	AGM/EGM	VOTES CAST	RECOMMENDATION			
			NUMBER OF PROPOSALS - FOR	NUMBER OF PROPOSALS - AGAINST	VOTES AGAINST BOARD	VOTES AGAINST SHAREHOLDERS
Nike Inc.	09.09.22	115,000	5	1	3	0
Alibaba Group Holding Ltd.	30.09.22	6,000	6	1	1	0
Cisco Systems Inc.	08.12.22	293,000	15	0	1	0
Microsoft Corp.	13.12.22	78,000	19	1	5	1

Source: Rothschild & Co, ISS

Important information

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