

Voting

Report 2023



Voting Report 2023

Introduction

1. Responsible, Sustainable and Impact investing approaches
2. Pension investing approach - Star Fund

Introduction

ING Solutions Investment Management ('ISIM') offers a range of funds which all have their own unique approach to sustainability. Within our funds we can invest in direct lines (equities or bonds) or indirectly in other investment funds. Portfolio management of ISIM's funds and exercise of the voting rights have been delegated to the external Investment Managers. Some of these Investment Managers are part of the ING Group and, hence exercise voting in line with ING voting guidelines which are the same as [ISIM Voting Guidelines](#). Investment Managers, which are not part of ING Group, may apply their voting policies. However, such voting policies can only be applied if their alignment with ISIM's voting guidelines has been assessed.

Our voting activities are aimed at protecting the economic value of our clients' investee companies. We have developed a voting policy that is designed to ensure that we meet the fiduciary obligations to vote proxies in the best interest of its current and future clients.

Our portfolios consist of different instruments, like bonds, equities, trackers, investment funds and tactical cash. Only individual shares can be used to cast votes to influence the operations and policies of a company.

Investment Managers aim to execute the voting policy as carefully and efficiently as possible. If there is a disproportion between the cost of voting and the possible impact of our vote, the votes will not be casted.

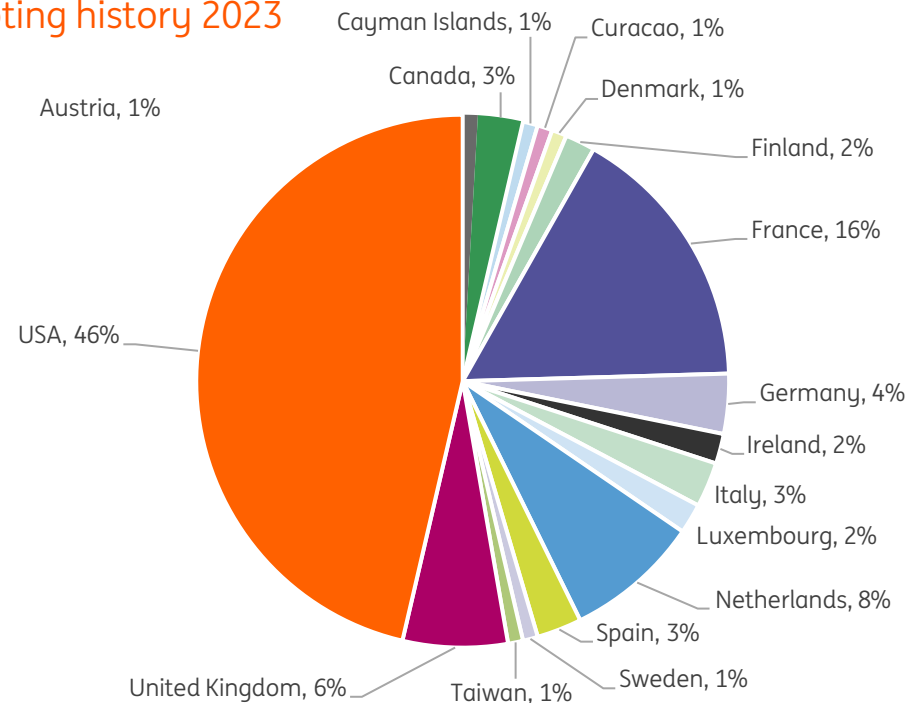
1. Responsible, Sustainable and Impact investing approaches

As part of ING Group, ING Solutions Investment Management (“ISIM”) applies Proxy voting guidelines defined by ING Investment office (https://www.ing-isim.lu/webisim/content/dam/isim/pdf/sustainability/en/ING_Voting-Guidelines.pdf). These guidelines define in particular the basis of ING’s voting policy, the main topics for voting, the voting process, reporting and the different roles in the voting process.

Voting behavior in 2023

The equity portfolios of the above funds consist predominantly of European and North American shares. In the pie chart below, you can see the countries where we casted votes at shareholder’s meetings. As you can see from the chart, US companies make up the greater part of the equity portfolios.

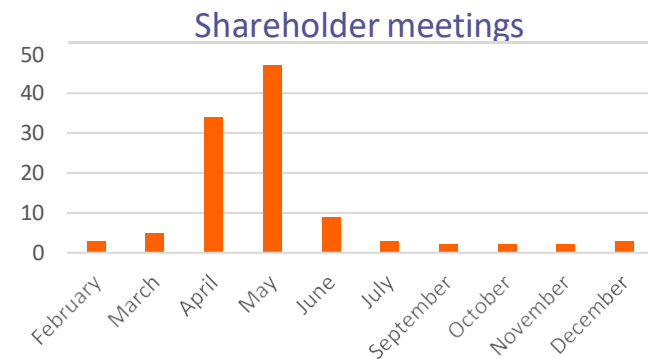
Country subdivision for our voting history 2023



The Investment Managers voted at 110 shareholder's meetings and did not cast votes on 13 of them due to technical issues or because the meeting was held in Switzerland.

The shareholder's meeting has the highest level of influence in the corporate structure. On the Annual General Meeting, shareholders can cast their votes on relevant topics. Common agenda items are:

- Significant changes to articles of association of the company
- Proposals for the appointment of directors and auditors
- The reservation and dividend policy of the company
- The approval of the executed policy by the board of directors
- The approval of the supervision exercised by the supervisory board
- Significant changes to the corporate governance structure of the company

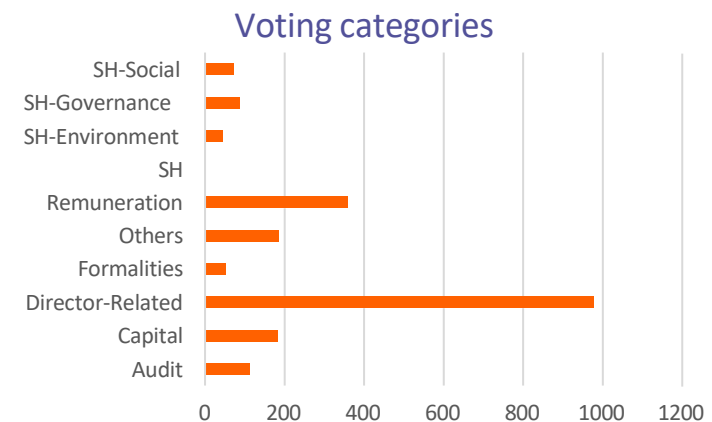


Extraordinary meetings take place due to special events, like a merger or acquisition or the sudden stepdown of the CEO.

Per shareholder's meeting the Investment Managers voted on many different topics. To make it more comprehensible they are captured in a set of categories. Most topics fall under the topic 'director'. This is, for example, the case when a board member needs to be accepted or discharged. The second most prevalent topic is 'remuneration'.

And then there is 'SH', that refers to shareholder proposals. These topics are not brought in by the company, but by the shareholders in these companies. Most of these proposals are about the governance of the company, though, environmental, and social issues become more and more common.

In 2023 the Investment Managers voted on 2069 ballots, mostly in line with the management proposal. But sometimes they disagree with them. That was the case in 11% of ballots, often on the topic of remuneration. A good remuneration policy should set conditions for a fair pay, a balance between fixed and variable pay, and a balance between long- and short-term incentives.



In the case of a shareholder proposal, the Investment Managers more often vote in contradiction with the management's wish. This included resolutions on climate change strategy or governance related proposals on, for instance 'Report on lobbying payments and policy'. Corporate responsibility goes further than just profit maximization. Every player in society has a responsibility to current and future generations. Therefore, we want all parties to fully embrace that responsibility.

Since the beginning of the voting, the Investment Managers have been using a proxy advisor. This is an organization that provides advice on how to vote. Investment Managers were receiving an advice from Sustainalytics, which is also our ESG data provider. Sustainalytics, though, stopped their proxy service at the end of June 2023. Since then, the Investment Managers are voting by their own, based on the applicable voting guidelines.

2. Pension investing approach – Star Fund

The Investment Manager of Star Fund – Pension Fund has applied its voting guidelines.

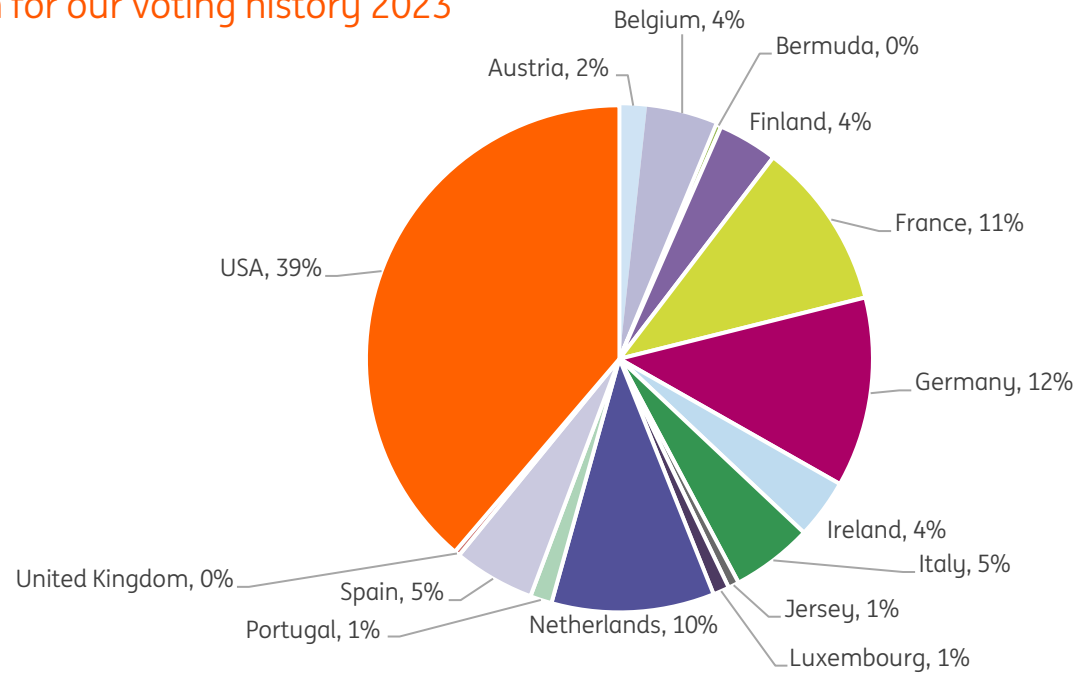
Figures presented in this section are based on reports provided by the Investment Manager of Star Fund. Consequently, the presentation of these figures differs from the way in which the figures were presented in section "1. 1. Responsible, Sustainable and Impact investing approach" above.

Voting behaviour in 2023

For Star Fund, the Investment Manager casted votes in 251 meetings (out of 289 votable meetings), spread across 15 countries.

39% of the meetings were for companies located in the US, while 61% of votes involved European companies.

Country subdivision for our voting history 2023



The tables below provides additional voting statistics within Star Fund.

	Total	Percent
Votable Meetings	289	
Meetings Voted	251	86.85%
Meetings with One or More Votes Against Management	91	31.49%
Votable Ballots	292	
Ballots Voted	254	86.99%

	Management Proposals		Shareholder Proposals		All Proposals	
	Total	Percent	Total	Percent	Total	Percent
Votable Proposals	3869		158		4027	
Proposals Voted	3017	77.98%	153	96.84%	3170	78.72%
FOR Votes	2688	69.48%	22	13.92%	2710	67.30%
AGAINST Votes	193	4.99%	131	82.91%	324	8.05%
ABSTAIN Votes	0	0.00%	0	0.00%	0	0.00%
WITHHOLD Votes	36	0.93%	0	0.00%	36	0.89%
Votes WITH Management	2796	72.27%	149	94.30%	2945	73.13%
Votes AGAINST Management	221	5.71%	4	2.53%	225	5.59%
Significant Votes	0	0.00%	0	0.00%	0	0.00%

	Votable Proposals		Proposals Voted		Management Proposals		Shareholder Proposals		Votes Against Management		Significant Votes	
	Total	Percent	Total	Percent	Total	Percent	Total	Percent	Total	Percent	Total	Percent
Audit Related	242	6.01%	228	5.66%	235	5.84%	7	0.17%	1	0.02%	0	0.00%
Capitalization	394	9.78%	205	5.09%	394	9.78%	0	0.00%	7	0.17%	0	0.00%
Company Articles	74	1.84%	64	1.59%	71	1.76%	3	0.07%	7	0.17%	0	0.00%
Compensation	778	19.32%	502	12.47%	765	19.00%	13	0.32%	79	1.96%	0	0.00%
Corporate Governance	10	0.25%	10	0.25%	0	0.00%	10	0.25%	2	0.05%	0	0.00%
Director Election	1512	37.55%	1383	34.34%	1504	37.35%	8	0.20%	118	2.93%	0	0.00%
Director Related	445	11.05%	379	9.41%	415	10.31%	30	0.74%	2	0.05%	0	0.00%
E&S Blended	29	0.72%	29	0.72%	13	0.32%	16	0.40%	0	0.00%	0	0.00%
Environmental	16	0.40%	14	0.35%	2	0.05%	14	0.35%	0	0.00%	0	0.00%
Miscellaneous	10	0.25%	8	0.20%	7	0.17%	3	0.07%	0	0.00%	0	0.00%
Mutual Funds	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
No Research	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Non-Routine Business	24	0.60%	0	0.00%	24	0.60%	0	0.00%	0	0.00%	0	0.00%
Routine Business	405	10.06%	270	6.70%	405	10.06%	0	0.00%	6	0.15%	0	0.00%
Social	60	1.49%	59	1.47%	6	0.15%	54	1.34%	1	0.02%	0	0.00%
Strategic Transactions	14	0.35%	8	0.20%	14	0.35%	0	0.00%	0	0.00%	0	0.00%
Takeover Related	14	0.35%	11	0.27%	14	0.35%	0	0.00%	2	0.05%	0	0.00%
Total	4027	100.00%	3170	78.72%	3869	96.08%	158	3.92%	225	5.59%	0	0.00%

