2021Q1 Stewardship Report

Q1 in review

VanEck Investments Limited as part of its fiduciary duty, voted on 2,385 management proposals and engaged with five companies during Q1 2021, covering a vast range of global markets and sectors.

A copy of our stewardship policy is available via **vaneck.com.au/stewardship-policy**

Voting

A right to vote is the most powerful legal right that arises from owning shares. The main avenue we have to influencing the companies we have invested in is the way we vote in the company's formal proceedings. Voting decisions are on a case-by-case basis in the context of our voting guidelines.

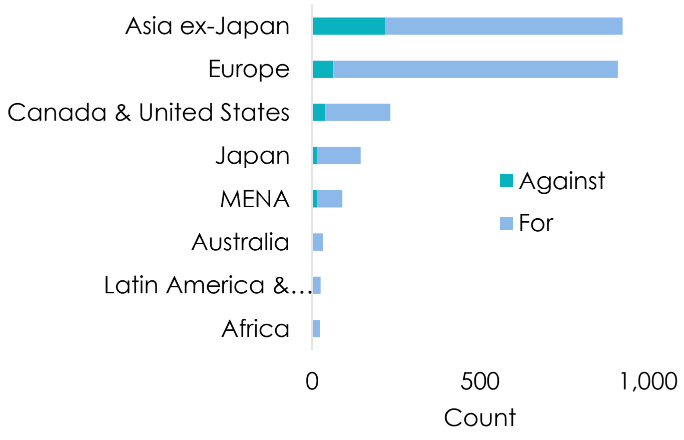
Guideline priorities relate to board quality, executive remuneration, capital management, mergers and acquisitions, auditor rotation, dissipating shareholders rights and addressing environmental, social and governance issues.

We will vote against a company's proposals if we believe that the issue under consideration does not meet our voting guidelines.

Statistics

Global Q1 2021 votes by region

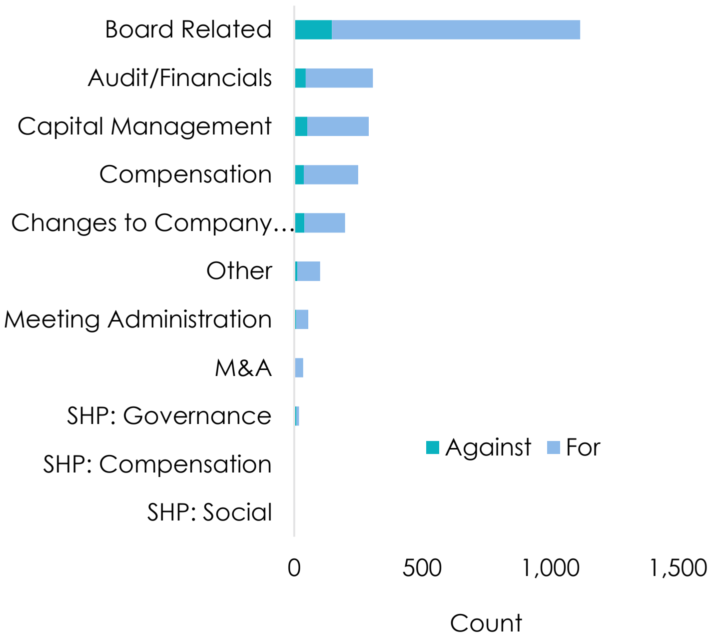
Region	% against management	Total votes
Asia ex-Japan	23%	926
Europe	7%	911
Canada & United States	17%	233
Japan	10%	144
MENA	17%	90
Australia	12%	33
Latin America & Caribbean	4%	25
Africa	0%	23
Total	**15%**	**2,385**



Source: Glass Lewis, VanEck.

Global Q1 2021 votes by proposal type

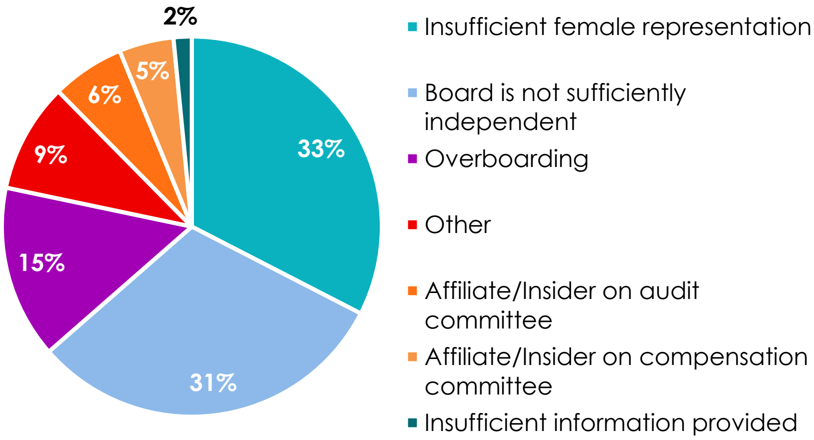
Proposal type	% against management	Total votes
Board Related	13%	1,120
Audit/Financials	15%	308
Capital Management	17%	292
Compensation	15%	250
Changes to Company Statutes	20%	199
Other	12%	102
Meeting Administration	15%	55
M&A	3%	35
SHP: Governance	47%	19
SHP: Compensation	33%	3
SHP: Social	100%	2
Total	**15%**	**2,385**



Source: Glass Lewis, VanEck.

Global Q1 2021 votes against management reasons related to election of directors/committee members

Reasons	Total
Insufficient female representation	42
Board is not sufficiently independent	40
Overboarding	19
Other	12
Affiliate/Insider on audit committee	8
Affiliate/Insider on compensation committee	6
Insufficient information provided	2
Total	**129**

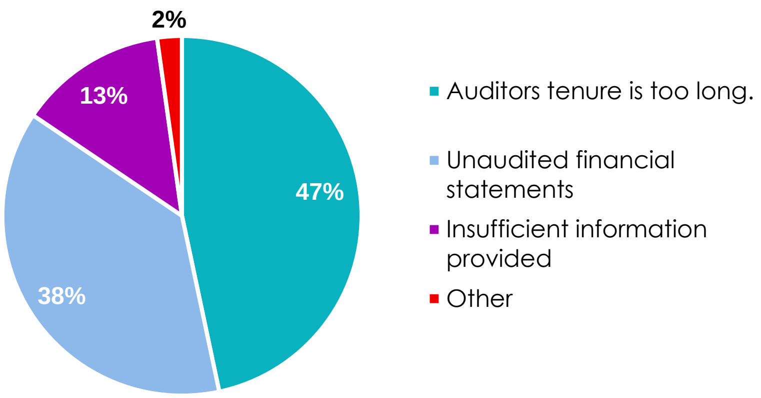


Source: Glass Lewis, VanEck.

Global Q1 2021 votes against management reasons related to audit/financials

Item	Total
Auditors tenure is too long.	21
Unaudited financial statements	17
Insufficient information provided	6
Other	1
Total	**45**

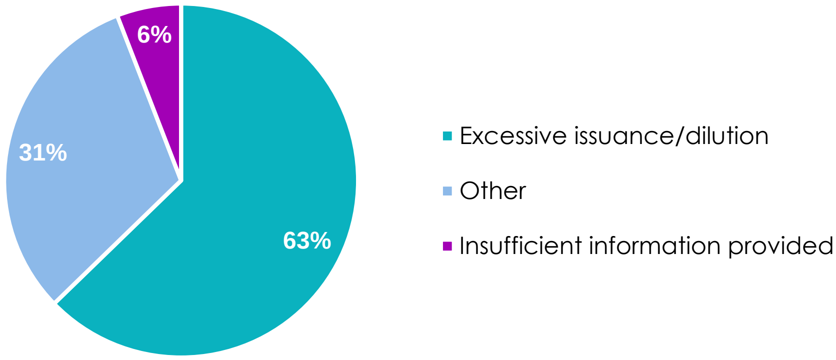
Source: Glass Lewis, VanEck.



Global Q1 2021 votes against management reasons related to capital management

Item	Total
Excessive issuance/dilution	32
Other	16
Insufficient information provided	3
Total	**51**

Source: Glass Lewis, VanEck.



Company Engagements

We supplement our voting by engaging with the companies that we invest in. Engagement can take many forms. As relatively small investors, we are not granted access to senior staff of the companies that we invest in as many other larger investors are. We have to engage through the avenues that are open to us.

Engagement may involve the advocacy of a particular point of view that we hold but often the power of the engagement is simply in letting the company know that we consider a particular issue to be a serious one that the company needs to be paying significant attention to.

The main triggers for us to engage include:

1. Level 1 meeting by Glass Lewis
2. ESG rating downgrade noted by MSCI
3. Company reaches out to us directly or through a third party.

The following table lists the five companies engaged with during the three months ended 31 March 2021.

Company	Trigger	Engagement reason	Board diversity	M&A	Human capital management	ESG
Coca Cola Amatil	3rd party engagement	Takeover offer from Coca Cola Europe		x		
Goodman Group	MSCI ESG rating downgrade	Downgraded rating from AA to A			x	x
Henry Schein	MSCI ESG rating downgrade	Downgraded rating from AAA to BBB	x			x
CapitaLand	MSCI ESG rating downgrade	Downgraded rating from AA to A	x			x
Chart Hall Retail REIT	MSCI ESG rating downgrade	Downgraded rating from A to BBB			x	x

x = primary topic of engagement

Coca Cola Amatil (ASX ticker: CCL) - Australia

We were contacted by the company in relation to the CCL proposed takeover by Coca Cola Europe for $12.75 per share. Based on our own analysis of CCL, taking into account it's released earnings results we considered the offer to be too low. We advocated for an offer at least 50c above the offer price. We were also contacted by The Age / Sydney Morning Herald where we gave feedback that "an increase of 50 cents per share on the offer would warranted". In February Coca Cola Europe increased the offer on CCL by 75c per share taking it to $13.50.

Goodman Group (ASX ticker: GMG) – Australia

We reached out to investor relations for comment regarding reasons cited for the ESG rating downgrade by MSCI. Responses are below:

Incentives to improve employee engagement and morale

We are in the process of producing a Human Capital Statement which will address this issue. Once it has approval from the Board it will be uploaded to the website (with our other policies) and I will email you a copy.

Steps to improve green building accreditation training for employees

Goodman is a member of the Green Building Council of Australia (GBCA) and has delivered Green Star rated facilities and in order to do so Goodman has skilled resources in each market that are trained and capable of delivering Green Star rated facilities. Previous experience has been industrial property ratings requirements have been customer/operator led and the ratings tool has been geared towards this. Goodman's focus more recently has been to invest in practical inclusions including, Solar, LED lighting, rainwater harvesting, irrigation/portable water smart metering, drought tolerant landscaping and has generally been preferred over expenditure for certification. Goodman has been engaged recently with the GBCA to provide input into a number of measures for the latest industrial rating tool, in order to improve the adequacy and relevance of its industrial rating tool for both landlords and operators. Goodman is currently seeking to improve internal capacity further by employing subject matter experts in ESG matters and industrial property sustainability specifically.

Occupational Health and Safety initiatives (programs) to target zero workplace fatalities

Goodman has implemented a safety framework across its global operations. We prioritised minimum safety standards and the management of critical risk controls, which includes safety training and contractor management procedures. We have a Group Head of Safety who is currently based in Hong Kong and a National Safety Manager in Australia. Unfortunately in FY20, we did have two fatalities on Goodman properties including a delivery driver who suffered fatal injuries while unloading his truck at a Goodman property in Chongqing, China. And a contractor at a principal contractor-controlled development site in Australia suffered a seizure while working and unfortunately later died.

Henry Schein (NYSE ticker: HSIC) – United States of America

We reached out to investor relations for comment regarding reasons cited for the ESG rating downgrade by MSCI. Responses are below.

Steps to improve ethics framework including addressing alleged anti-competitive practices:

- Our Compliance Department conducts continuous reviews of Department of Justice Guidance on the Evaluation of Corporate Compliance Programs. We also benchmark our training program against other Fortune 300 companies as well as training vendors, to ensure we have appropriate educational content to address corporate risk.
- Henry Schein is a 10 time winner of Ethisphere's "World's Most Ethical Company" designation, which places a high emphasis on our company's responses around Henry Schein's Compliance program, including training, policies, helpline, third party risk, and discipline.
- Regarding allegations of anti-competitive practices, in October 2019, the administrative law judge dismissed the Federal Trade Commission's allegations

that Henry Schein conspired with competitors to avoid providing discounts to, or to otherwise serve, buying groups representing dental practitioners.

- With respect to our ethics framework as it relates to anti-competition training:
  - Our code of ethics/Worldwide Business Standards has a section on antitrust / responsibilities to the marketplace; Worldwide Business Standards training is provided to all new hires as well all employees on a regular basis;
  - We provide Interactive web-based antitrust training on a regular basis to employees in job positions that we believe are most likely to encounter situations where competition issues may arise. Our web-based training system has robust reporting and analytics to track training completion and effectiveness. Such employees are required to certify that they will comply with our Antitrust Compliance Policy and guidelines and antitrust laws. We also conduct live antitrust training on a periodic basis.
  - We publicize a compliance hotline which provides for a mechanism employees can use to report antitrust and other violations anonymously or confidentially and without fear of retaliation, and where employees can seek guidance about potential illegal conduct, either confidentially or otherwise.

Standards to improve service quality monitoring

Outlined on page 36 of our 2019 CSR report are the various ways in which we gather stakeholder feedback, particularly our customers, where we continually monitor our service quality. Our customer service mission is to “make every customer contact a positive experience that adds value for our customers...” To that end, we monitor our service through the following metrics from order accuracy to supply chain satisfaction to delivery time and more. We plan to disclose more details in our upcoming CSR report, which will be published in May 2021.

CapitaLand Integrated Commercial Trust (Singapore Ticker: CICT) – Singapore

We reached out to investor relations for comment regarding reasons cited for the ESG rating downgrade by MSCI. Responses are below.

Review of Directors’ Ability to Commit Time

In view of the responsibilities of a Director, Directors need to be able to devote sufficient time and attention to adequately perform their duties and responsibilities. The Board conducts a review of the other appointments and commitments of each Director on an annual basis and as and when there is a change of circumstances involving a Director which may affect his or her ability to commit time to the Manager. In this regard, Directors are required to report to the Board any changes in their other appointments.

In respect of the Directors' other appointments and commitments, no limit is set as to the number of listed company board appointments. The Board takes the view that the number of listed company directorships that an individual may hold should be considered on a case-by-case basis, as a person's available time and attention may be affected by many different factors, such as his or her individual capacity, whether he or she is in full-time employment, the nature of his or her other responsibilities and his or her near term plan regarding some of the other appointments. A Director with multiple directorships is expected to ensure that he or she can devote sufficient time and attention to the affairs of the Manager. IDs are also required to consult the Chairman before accepting any invitation for appointment as a director of another entity or offer of a full time executive appointment.

Each of the Directors is required to make his or her own self-assessment and confirm that he or she is able to devote sufficient time and attention to the affairs of the Manager. For FY 2020, all non-executive Directors had undergone the self-assessment and provided the confirmation. The Board assesses each Director's ability to commit time to the affairs of the Manager annually and, where appropriate, when there is a change of circumstances involving a Director. In conducting the assessment, the Board takes into consideration each Director's confirmation, his or her commitments, attendance record at meetings of the Board and Board Committees, as well as conduct and contributions (including preparedness and participation) at Board and Board Committee meetings.

The Directors' listed company directorships and principal commitments are disclosed on pages 41 to 45 of this Annual Report and their attendance record for FY 2020 is set out on page 76 of this Annual Report. In particular, the CEO does not serve on any listed company board outside of the CICT Group. For FY 2020, the Directors achieved high meeting attendance rates and have contributed positively to discussions at Board and Board Committee meetings. Based on the above, the Board has determined that each Director has been adequately carrying out his or her duties as a Director and noted that no Director has a significant number of listed directorships and principal commitments.

Unit-based compensation policy

Unit awards were granted in FY 2020 pursuant to the CapitaLand Mall Trust Management Limited Performance Unit Plan and the CapitaLand Mall Trust Management Limited Restricted Unit Plan (now known as the CapitaLand Integrated Commercial Trust Management Limited Performance Unit Plan (PUP) and the CapitaLand Integrated Commercial Trust Management Limited Restricted Unit Plan (RUP)) (together, the Unit Plans), approved by the Board. The Manager believes that the Unit-based components of the remuneration for key management personnel serve to align the interests of such key management personnel with that of Unitholders and CICT's long-term growth and value. The obligation to deliver the Units is expected to be satisfied out of the Units held by the Manager. All outstanding unit awards granted to the relevant employees of CapitaLand Commercial Trust Management

Limited pursuant to the CapitaLand Commercial Trust Management Limited Performance Unit Plan and the CapitaLand Commercial Trust Management Limited Restricted Unit Plan prior to the Merger will be replaced by Unit awards pursuant to the Unit Plans. The obligation to deliver the Units is expected to be satisfied out of the Units held by CapitaLand Commercial Trust Management Limited. To promote the alignment of Management's interests with that of Unitholders in the longer term, senior members of Management are subject to Unit ownership guidelines to instill stronger identification with the longer-term performance and growth of the CICT Group. Under these guidelines, senior members of Management are required to retain a prescribed proportion of Units received under the Unit Plans worth up to at least one year of basic salary.

The CEO's remuneration amount in a band of S$250,000 and the aggregate of the total remuneration of the other key management personnel (excluding the CEO), together with a breakdown of their respective remuneration components in percentage terms, are set out in the Key Management Personnel's Remuneration Table on page 76 of this Annual Report.

While the disclosure of the CEO's exact remuneration amount and the requisite remuneration band for each of the other key management personnel (who are not also Directors or the CEO) would be in full compliance with Provision 8.1 of the Code, the Board has considered carefully and decided that such disclosure would not be in the interests of the Manager or Unitholders due to the intense competition for talents in the industry, as well as the need to balance the confidential and commercial sensitivities associated with remuneration matters. The Manager is of the view that despite this partial deviation from Provision 8.1 of the Code, the disclosures on page 76 of this Annual Report are consistent with the intent of Principle 8 of the Code and would provide sufficient information and transparency to the Unitholders on the Manager's remuneration policies and the level and mix of remuneration accorded to the key management personnel, and enable the Unitholders to understand the relationship between CICT's performance, value creation and the remuneration of the key management personnel. In addition, the remuneration of the key management personnel is not borne by CICT as it is paid out of the fees that the Manager receives (the quantum and basis of which have been disclosed).

CICT also has disclosure requirements on executive compensation under Alternative Investment Fund Managers Regulations (AIFMR).

Charter Hall Retail REIT (ASX ticker: CQR) – Australia

We reached out to investor relations for comment regarding reasons cited for the ESG rating downgrade by MSCI. Responses are below:

Comments on sustainability framework

- 87 GRESB ratings improving by 7.4%

- 61 DJSI rating to improve as current execution on TCFD reporting, solar roll out and adoption of climate strategy is measured
- Adoption of Modern Slavery Statement (Australian Modern Slavery Act 2018), outlining our efforts to eradicate occurrences of modern slavery in our supply chain
- Committed to World Green Building Net Zero Buildings, aligning our targets of net zero carbon

Initiatives to reach net zero emissions

- Since the beginning of FY19 11.4m has been invested in energy, water and waste management initiatives
- Partnerships with Cleanpeak Energy and Macquarie Bank in conjunction with Solgen will deliver 19.8MW of solar across the portfolio
- 64% of electricity use at December 2020 was being offset by onsite solar as we move towards net zero emissions by 2030
- Licences roof space to Coles and Woolworths who have installed 2.8MW of additional solar at a further 16 of our centres

For more information on specific company engagement, please feel free to contact our services desk at info@vaneck.com or +61 2 8038 3300.