



PROXY VOTING HIGHLIGHTS

The WSIB believes proxy voting is one of the most effective and valuable tools for positively influencing companies toward greater board accountability, genuine transparency, and increased focus on material environmental, social and governance (ESG) issues. As with any WSIB asset, our aim is to manage our proxies prudently for the exclusive benefit of our beneficiaries.

The WSIB's proxy voting-related outcomes for Fiscal year (FY) 2025 included:

- Voted 3,030 corporate meetings during the period (FY 2024: 2,970)
- Cast votes on 28,025 individual proposals (FY 2024: 27,773) dealing primarily with the election of directors (68.8 percent of total votes cast), the ratification of auditor (10.5 percent), and advisory vote on executive compensation or "Say on Pay" (SoP) (8.5 percent)
- Voted "against" or "withheld" from 1,801 of the total 19,286 election of director votes during the period (supporting 90.6 percent of nominees)
- Supported 1,971 of the 2,383 SoP resolutions considered during the year (82.7 percent, effectively flat from the WSIB's 82.7 percent support level in FY 2024)

Broadly speaking, investors' priorities and ESG initiatives are often driven through the shareholder proposal (SHP) process. The number of SHPs that appear on a ballot fluctuates from year to year, reflecting market trends and regulatory action. The US Securities and Exchange Commission (SEC) announced revisions to related processes ahead of the 2025 proxy season. As a result, considerably fewer SHPs were brought forward in FY 2025 (compared to the prior two years).

In FY 2025, the WSIB voted on 563 SHPs. These votes fell into five main categories: social issues (162 votes), governance proposals (240 votes), environmental issues (87 votes), compensation items (56 votes), and additional miscellaneous proposals (18 votes).

Within these diverse topics, proposals covered items including board structure (e.g., independent board chairs), labor relations, technology-related risk management, and climate-related risk and opportunity assessments.

The WSIB supported 54.7 percent of the SHPs we reviewed in FY 2025, increasing from 46.4 percent in FY 2024. WSIB support levels were either roughly flat or higher than FY 2024 for each category other than the aggregate miscellaneous vote category. While our voting policies did not change, we recognized shifts in the mix of proposals and believe this contributed to the change in results. We continue to apply a careful case-by-case approach to all SHPs and weigh their merits through a fiduciary lens, with a focus on materiality and alignment with our investment beliefs.