



# Voting Principles

USS aims to vote on all resolutions, abstain only in exceptional circumstances, and strives for consistency over time. Our Voting Principles ensure decisions and behaviours are aligned with the best long-term financial interests of members.

The following principles steer USS's voting approach:

## 1. Corporate Boards

The board should hold the executive management to account on our behalf. It should do so with appropriate independence, skill, experience and diversity.

## 2. Support for Management

Where we have made the active decision to own an individual company, our approach starts from a position of supporting management unless there are good reasons not to.

## 3. Audit and Reporting

External audit is best provided by independent, recognised auditors with suitable skills and experience, no material conflicts, regular lead partner rotation and appropriate tenure.

## 4. Remuneration

Compensation arrangements should be transparent, aligned with shareholder interests and consistent with the company's culture.

## 5. Capital Structure and Allocation

Any changes to either capital structure or allocation should preserve existing shareholders' rights, control and/or value.

## 6. Voting Rights

Over the long-term, voting interests should be commensurate with economic interests.

## 7. Strategic Transactions and Material Events

Shareholders should have the right to evaluate/vote on significant corporate events.





## 8. Shareholder Proposals

We support the right of shareholders to submit resolutions and will consider each request on its own merits.

*These principles have been informed by the UK Corporate Governance Code, the ICGN Global Governance Guidelines and the OECD Principles of Corporate Governance. USS recognises that there are nuances in individual public company circumstances and private market investments, therefore we must retain the right to exercise discretion and flexibility. Should a company's actions be inconsistent with our Voting Principles, without acceptable justification, we will vote against.*

*While the Voting Principles are designed for the long term, we will review them regularly and update them as required.*

