

State Street Global Advisors

Engagement and Proxy Voting Overview

Key Takeaways

State Street Global Advisors (SSGA) is a large asset management firm with \$3.62 T AUM (March 31, 2023). SSGA published several documents outlining its engagement and voting overview. Among them are the Stewardship Activity Report for Q4 2022 published on 20 April 2023 and its CEO Letter on 2023 Proxy Voting Agenda published on 31 March 2023.

Engagement Overview

In its Q4 2022 Stewardship Activity Report, SSGA outlined its 2022 engagement efforts, as well as its 2023 Stewardship Priorities:

2023 Stewardship Priorities

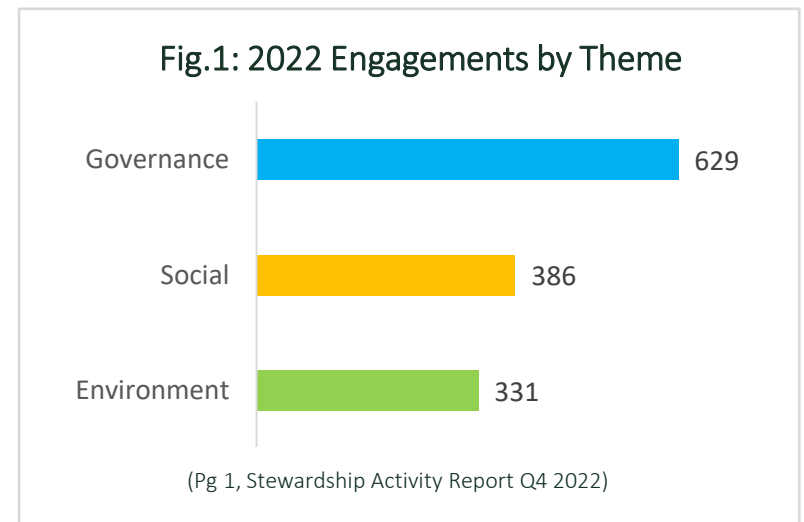
SSGA's 2023 stewardship priorities are to encourage transparency and disclosure in the following areas:

- Effective Board Oversight
- Climate Risk Management
- Human Capital Management
- Diversity, Equity, and Inclusion

2023 Proxy Policy Updates

- **Diversity**
 - SSGA may vote against the Chair of the Nominating Committee at companies in the Russell 1000 and FTSE 350 that do not disclose, at minimum, the gender, racial and ethnic composition of their boards.
 - SSGA expects companies in the Russell 3000, TSX, FTSE 350, STOXX 600, and ASX 300 to have boards composed of at least 30 percent women directors.

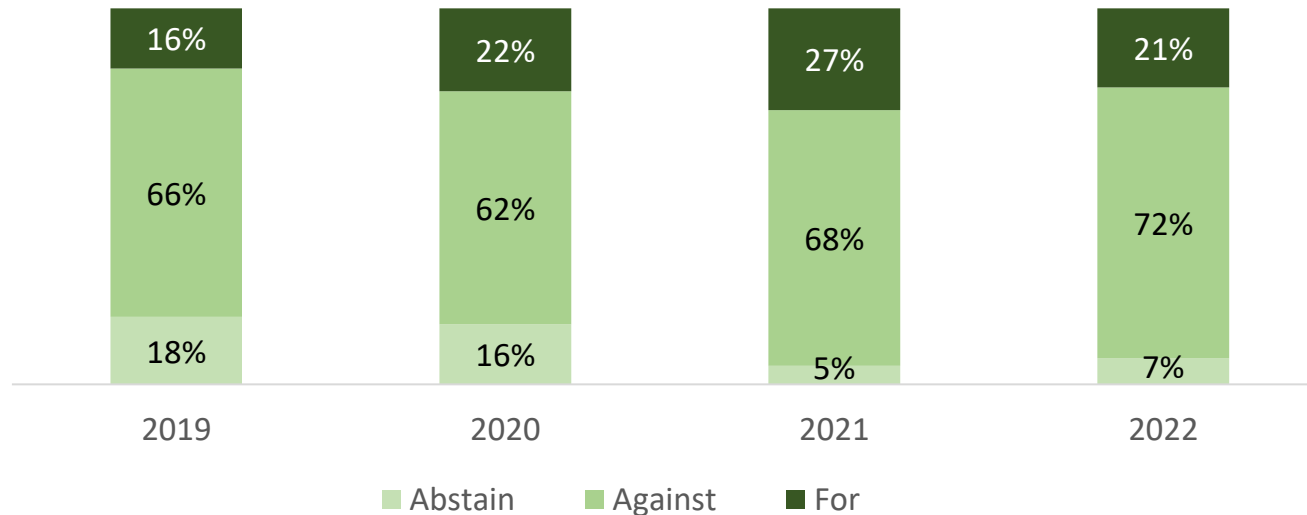
- **Overboarding**
 - Starting in 2024, SSGA will no longer use numerical limits to identify overcommitted directors, and instead vote against the chair of the nominating and governance committee at companies in the S&P 500 that do not disclose their internal policy on director time commitments.



2022 Voting Record and Highlights

SSGA voted on **20,771** proposals in the fourth quarter. It voted against **20.7%** of the 20,127 management proposals. Out of the **644** shareholder proposals, SSGA voted for **6.5%** (42) of proposals.

Fig.2: Record on Environmental and Shareholder Proposals



Source: Making It Plain: Our Asset Stewardship Approach

Succession Planning

In 2022, SSGA viewed succession planning as an important part of long-term investing in any company and integrated this topic into its stewardship strategy. SSGA is continuing this theme into 2023, asking questions such as:

- What areas of expertise and qualities has the board prioritized in its succession plan?
- How has the board considered internal vs. external candidates for the position?
- If the former executives occupy board positions, how will the board ensure the incoming management team has the space and confidence to execute their own strategy?
- How does the board demonstrate their support and confidence in new leadership?
- What milestones has the board set for the transition process?



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Know what could be asked during an engagement

Stay up to date on investor's ESG priorities

Access to 1000+ case studies & detailed analysis

Understand how investors will vote on your ballot

Gain access to 7M NPX voting records & governance policies

Contact information & key players at each firm

CONTACT US TO SCHEDULE A DEMO

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