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**LATIN AMERICA**

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# Proxy Season Highlights

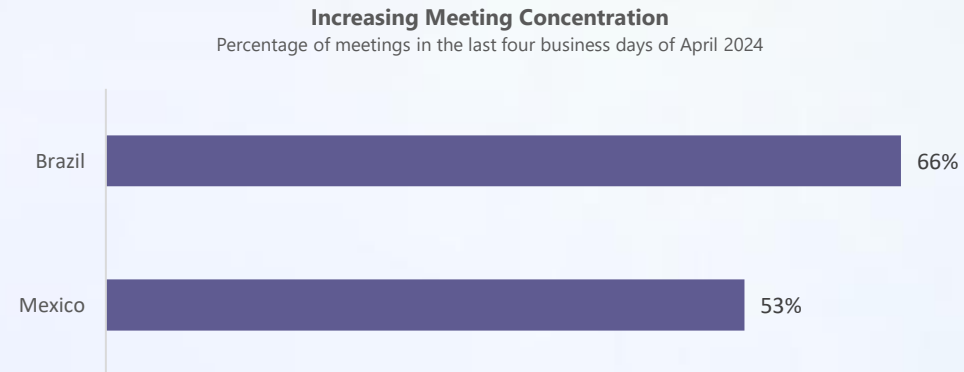
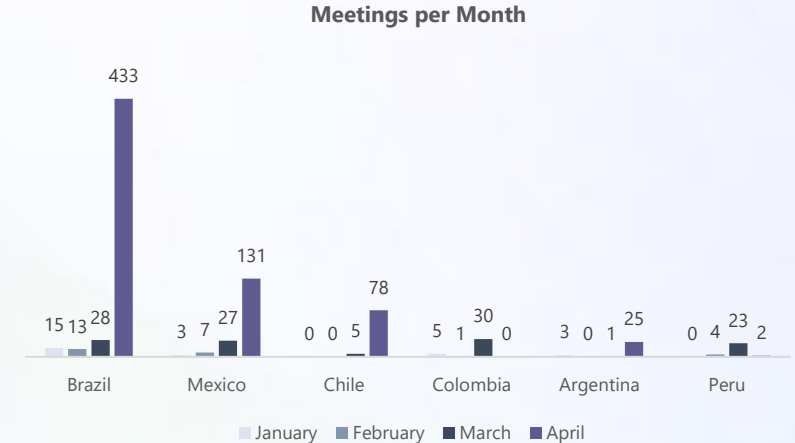
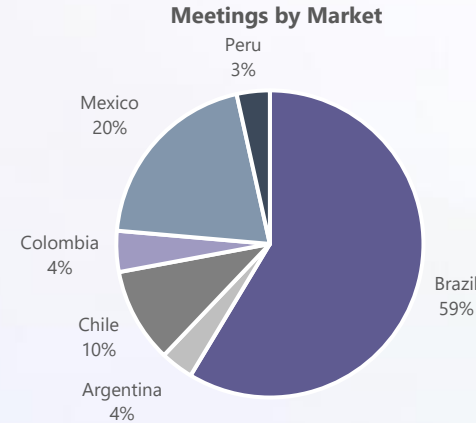
**Coverage** for the Latin American markets includes the five main Spanish-speaking markets in the region, as well as the only Portuguese-speaking country, Brazil, which accounts for nearly 60% of meetings covered.

**The timeline** for the Latin American proxy season stretches from mid-February to the end of April.

**Increased meeting concentration** continues to impose challenges to institutional investors, particularly in the two largest markets covered in the Latin America region:

- Brazil: 66% of shareholder meetings covered by ISS held in the last four business days of April 2024;
- Mexico: 53% of general meetings covered by ISS held in the same last four business days of April 2024.

**Meetings to watch** include Brazilian mining company, **Vale** and the Colombian state-run oil company, **Ecopetrol**, which will both have full board elections in 2025.



Source: ISS Governance Research & Voting

# Brazilian Remuneration

- Beginning in 2025, ISS reports for Brazilian issuers with say-on-pay proposals will feature the following additional information for the most recent fiscal years :
  - Breakdown of components for director pay
  - Aggregate pay for the fiscal council
  - The highest and average individual director compensation
- The inclusion of the additional data points follows the 2024 implementation of the most recent policy change for Brazilian say-on-pay proposals, which focused on board chair remuneration.
- In 2024, ISS identified 15 cases of non-executive chairs receiving a higher compensation than the company's CEO, representing a potentially problematic pay practice.

## BOARD REMUNERATION REPORTED

Components of Pay* (BRL in millions)	2023	% Change	2022	% Change	2021
Fixed Pay	10.80	5.7%	10.21	9.2%	9.36
Benefits	0.63	14.1%	0.55	7.0%	0.52
Committee Participation	1.56	10.5%	1.41	21.9%	1.16
Other	0.00	--	0.00	--	0.00
Short-Term Variable Pay	0.00	--	0.00	--	0.00
Profit Sharing	0.00	--	0.00	--	0.00
Meeting Fees	0.00	--	0.00	--	0.00
Commissions	0.00	--	0.00	--	0.00
Post-job Benefits	0.00	--	0.00	--	0.00
Severance	0.00	--	0.00	--	0.00
Equity Compensation	2.02	14.7%	1.76	15.9%	1.52
<b>Total Board Remuneration</b>	<b>15.01</b>	<b>7.7%</b>	<b>13.94</b>	<b>11.1%</b>	<b>12.55</b>

\*Aggregate pay for 7 directors in 2023, 6.9 directors in 2022, and 7.6 directors in 2021; Source: Reference Form tables 8.2

## FISCAL COUNCIL REMUNERATION REPORTED

(BRL in millions)	2023	% Change	2022	% Change	2021
<b>Total Pay</b>	<b>0.25</b>	<b>2.3%</b>	<b>0.25</b>	<b>(2.3)%</b>	<b>0.25</b>

Source: Reference Form table 8.2

## HIGHEST AND AVERAGE ANNUAL COMPENSATION REPORTED

Board of Directors					
Number of Board Members	7		6.9		7.6
Highest Director Compensation	10.33	5.4%	9.80	8.5%	9.03
Average Director Compensation	2.14	6.4%	2.02	21.8%	1.65

Source: Reference Form table 8.15; figures in millions of BRL

Table above displays data collected for MRV Engenharia e Participações SA

Source: ISS Governance Research & Voting

# Thank You

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