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Proxy Voting Policy

JK Capital Management Ltd believes that proxy voting is a critical right of shareholders that must be implemented diligently and carefully in order to protect investors' interests. We consider active voting as an essential part of ownership responsibilities and we view it as part and parcel of our investment process which has value creation as its ultimate goal.

This document summarizes the guidelines we diligently take into account in the process of active voting. Proxy voting is systematically enforced at Annual General Meetings, Extraordinary General Meetings and any other Special Meetings. This policy is applicable to all voting decisions emerging from the ownership rights of JK Capital's equity funds.

Proxy voting is at the heart of JK Capital's engagement strategy. By exercising our voting rights, we seek to promote dialogue between board members and company shareholders. Addressing management decision proactively has proven to be positively correlated to business efficiency.

Proxy Voting Process:

JK Capital Management Ltd. has partnered with ProxyEdge Broadridge® to ensure an efficient proxy voting process. This online platform enables our analysts to register votes and access all necessary resources by providing services on ballots electronic delivery, regulatory vote disclosure and record keeping.

Voting Objectives:

We adhere to a core set of objectives below and assess each proxy proposal in light of these objectives.

- **Ensure value creation over a long-term perspective**
- **Protection of investors' rights**
- **Ensure sound and efficient corporate governance**
- **Consideration of environmental and societal aspects**

Voting Guidelines:

For the following specific topics, detailed guidelines will be strictly implemented during proxy voting.

Boards and Directors

- **Election of Independent Director:** JK Capital expects directors to represent shareholder interests at the company and maximize shareholder value. We also believe boards should have a balance of independent members (*not an executive of the company or any subsidiary over the last 5 years and not a significant shareholder, or affiliated to a significant shareholder of the company*) and non-independent members.
- **Board Director Oversight:** The successful governance of a company is demonstrated through sufficient oversight, shareholder responsiveness and proactive outreach. JK Capital expects the board to exercise appropriate oversight over management and business activities of the company. We generally consider attendance at less than 75% of applicable meetings during the tenure of the respective director to be poor attendance, and we may not support the re-election of such director. We may also consider voting against when the board has failed to exercise sufficient oversight with regard to material risk factors, or the company has failed to provide shareholders with adequate disclosure.
- **ESG Oversight:** JK Capital expects the board to disclose its oversight of various ESG issues including climate-related risks, and specifically:
 - the board's ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related

- risks and opportunities; and
- the board's ESG management approach to review progress made against ESG-related goals and targets (such as emission reduction targets that aligned with the national target) with an explanation of how they relate to the issuer's businesses.
 - **Board Diversity:** JK Capital recognizes that diversity has multiple dimensions. In identifying potential candidates, boards should take into consideration the full breadth of diversity, including gender, ethnicity, race, and age, as well as professional characteristics. Boards should disclose the policies or procedures used to ensure board diversity. In particular, JK Capital expects some level of gender diversity on the board.
 - **Board Size:** JK Capital believes directors are generally in the best position to assess the optimal board size to ensure effectiveness. We may vote against boards that appear too small to allow for the necessary range of skills and experience or too large to function efficiently.
 - **Combined CEO/Chairman:** Our view on whether the positions of Board Chair and Chief Executive Officer should be separated is determined on a case-by-case basis.
 - **Equal Voting Rights:** JK Capital supports the "one-share, one-vote" principle and generally opposes proposals requesting the adoption of cumulative voting method.
 - **Responsiveness and Accountability:** JK Capital believes it is important that directors are held accountable for listening to the voice of shareholders. JK Capital may not support the re-election of directors that fail to respond effectively or act in the best interests of shareholders.

Auditors and Audit-related Issues

- **Appointment of auditor:** JK Capital recognizes the importance of financial statements to provide a complete and accurate portrayal of a company's financial condition. The external auditor is to be independent and should avoid conflicts of interest when auditing the company's financial statements. This would be determined on a case-by-case basis based on factors including but not limited to reputation, auditor rotation and independence status.
- Re-appointment of auditor:** JK Capital may vote against the re-appointment of auditors who we believe have acted against interests of shareholders or no longer independent from the auditee company.

Remuneration Practices

- **Employee Stock Purchase Plans (ESPP) and Employee Stock Ownership Plans (ESOP):** JK Capital believes that ESPP and ESOP are important mechanisms of a

company's human capital management system and could provide performance incentives to help align employees' interests with those of shareholders. JK Capital's stance on proposals of ESPP and ESOP would be determined on a case-by-case basis. We will generally support such proposals as long as they are broad-based plans designed to align with the long-term performance of the company while limiting excessive risk-taking. As for ESPP or ESOP that proposes to grant stocks or options to independent directors, JK Capital may vote against such proposal as we believe it could impair directors' independence status.

Shareholders Rights/Protection

- **Amendment of Bylaws:** JK Capital believes that shareholders should have the right to vote on key corporate governance matters, including changes to governance mechanisms and amendments to the charter/articles/bylaws. We evaluate proposals to amend bylaws on a case-by-case basis.
- **Bundled Proposals:** Bundled proposals ultimately hinder shareholders' ability to vote on individual proposals. JK Capital expects companies to submit resolutions on an individual basis so that shareholders have the opportunity to review substantial governance changes individually without having to accept bundled proposals.
- **Virtual Meetings:** AGMs and EGMs are important channels for shareholders to communicate directly with the board and management. While these meetings have traditionally been conducted in-person, JK Capital believes virtual meetings are an equally effective way for companies to utilize technology to facilitate shareholder accessibility, inclusiveness, and cost efficiencies.
- **Act by Written Consent:** JK Capital believes shareholders should have the right to raise issues of substantial importance without having to wait for management to schedule a meeting. We generally support proposals that allow shareholders to act by written consent.
- **Call a Special Meeting:** JK Capital believes shareholders should have the right to raise issues of substantial importance without having to wait for management to schedule a meeting. We generally support proposals that allow shareholders to call a special meeting and set the threshold at no higher than 15% of the total voting rights.

Capital Structure

- **Issuance of New Stocks:** When a company issues additional shares of stock, it can reduce the value of existing investors' shares and their proportional ownership of the company. Stock issuance proposals would be determined on a case-by-case basis, and JK Capital generally only supports reasonable share

issuance proposals with fair and justified reason and that would not lead to significant dilution for existing shareholders.

- **Stock Splits:** Companies choose to split their shares so they can lower the trading price of their stock to a range deemed comfortable by most investors and increase the liquidity of the shares. JK Capital generally supports stock splits proposals that are not likely to negatively affect the ability to trade shares or the economic value of a share.
- **Share repurchase:** A share repurchase is a transaction whereby a company buys back its own shares from the marketplace. It reduces the number of outstanding shares, and investors often consider that buybacks will drive an increase in the share price. JK Capital evaluates proposals for share repurchase on a case-by-case basis.
- **Mergers and Acquisitions:** Due to complexities of mergers and acquisitions proposals, JK Capital evaluates proposals for mergers and acquisitions on a case- by-case basis depending on the economic and strategic rationale.

Unfavorable Voting Outcome:

In case of an unfavorable voting outcome, the analyst in charge prepares a note on the potential consequences for minority shareholders.

This note will be used to open an internal discussion with the portfolio managers. JK Capital's investment team will also contact the company to discuss the issue.

Depending upon circumstances, the portfolio managers may then decide to reduce the exposure to the company or divest from the investment altogether.

Conflict of Interests:

It is our utmost responsibility to prevent all conflicts of interests, particularly when exercising our voting rights. Employees of JK Capital Management Ltd. having declared a potential conflict of interest are prevented from participating in the proxy voting process.

The following principles and mechanisms are systematically implemented to ensure that conflicts of interests do not influence our votes:

- The voting process must be exercised in the best interests of our clients to ensure value creation over a long-term perspective, to protect minority shareholders' rights, to ensure a sound and efficient corporate governance as well as a genuine concern for environmental and societal aspects.
- Employees of JK Capital Management Ltd. must comply with the Compliance Manual of the firm, and, notably, declare any outside business activity, any investment in securities and any involvement in any matter that could give rise to a conflict of interest.

All potential conflicts of interests are recorded together with their outcome. They are systematically escalated by the Compliance Officer to the CEO of JK Capital Management Ltd.

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