



PROXY VOTING POLICY

ABL ASSET MANAGEMENT COMPANY LIMITED

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INTRODUCTION

ABL Asset Management Company Limited (ABL AMC) has established this proxy voting policy in accordance with Regulation 38A (b) of NBFC & NE Regulations 2008.

This policy defines the principles that form the basis of all votes exercised by the ABL AMC. When voting proxies, the ABL AMC shall take utmost care to ensure that all decisions are made solely in the best interests of the Collective Investment Schemes and its Unit Holders and with the goal of maximizing the value of their investments by positively influencing the governance of investee companies. However, at no point in time, ABL AMC intends to attain the management control of the Investee Company or companies.

AUTHORITY AND RESPONSIBILITY FOR VOTING PROXIES

- ✓ All rights of voting attached to any Investment shall be exercisable by the ABL AMC on behalf of the Trustee in a fiduciary capacity and it shall be entitled to exercise the said rights in what it may consider to be the best interests of the Collective Investment Schemes and its Unit Holders.
- ✓ ABL AMC may refrain at its own discretion from exercising any voting right and the Trustee or the Unit holders shall not have any right to make any objection.
- ✓ The Trustee shall, upon written request by ABL AMC and at the expense of the Collective Investment Scheme, from time to time execute and deliver or cause to be executed or delivered to the ABL AMC or their nominees powers of attorneys or proxies authorizing such attorneys and proxies to vote or otherwise act in capacity as shareholder in such form and in favor of such persons as the ABL AMC may require in writing.
- ✓ The words "voting rights" or "vote" used hereunder shall be considered to comprise not only a vote at a meeting but the right to elect or appoint directors, any consent to or approval of any arrangement scheme or resolution or any alteration in or abandonment of any rights attaching to any Investment and the right to requisition or join in a requisition to convene any meeting or to give notice of any resolution or to circulate any statement.
- ✓ The respective Trustee shall forward to the ABL AMC in a timely manner all notices of meetings and all reports and circulars received by the Trustee on behalf of Collective Investment Schemes as the registered holder of any Investment.
- ✓ It will be the responsibility of the CIO to ensure that the proxy is used as intended by the Investment Committee and that the votes are casted in a

proper fashion. Any development which prohibits the achievement of goals mentioned in the criteria above or failure of the company to exercise the proxy in the desired fashion must be recorded in the next Investment Committee meeting with appropriate explanation and remedial actions for future compliance.

VOTING PROCEDURES

- ✓ The ABL AMC may require the appointed staff member /or any other specified person to vote in favor or otherwise of a resolution if it considers it to be in the best interest of the Unit Holders.
- ✓ The ABL AMC may vote through staff member /or any other specified person or in association with other investors if it feels that such vote will be in the best interest of the Unit Holders.

PROXY PROPOSAL EVALUATION

- ✓ The internal participants to be consulted in evaluation of a proxy proposal shall be the Investment Committee. The committee shall at all times have the discretion to decide to exercise a vote for, against or abstain from it.
- ✓ All discussions pertaining to proxy voting decisions will be minutely recorded in IC minutes.
- ✓ The final decision as to the manner in which ABL AMC will cast its proxies will be determined by Investment Committee with input from relevant fund managers.
- ✓ ABL AMC may be unable to vote a proxy, or may choose not to vote a proxy, such as where:
 - a. meeting notice was received too late; or
 - b. collective Investment Scheme(s) held investments on the notice date but has disposed prior to the meeting date; or
 - c. cost of voting the proxy outweighs the possible benefit to the applicable collective investment schemes; or
 - d. effect on the relevant collective investment schemes' economic interests or the value of the portfolio holding is insignificant in relation to the schemes' value; or
 - e. it finds to be inconsistent with fiduciary obligations to vote.

VOTING POLICY GUIDELINES

The following guidelines reflect what the ABL AMC believes in good corporate governance and behavior:

✓ **Election of Directors:**

The ABL AMC would generally support proposals that strengthen the independence of Board of Directors and encourage having a balance of executive and non-executive directors, including independent directors and those representing minority interests. However, each proposal shall be evaluated on a case-by-case basis.

Following criterion will be generally used to judge the competence of the potential candidates:

a. Minority Representation:

Investments of Collective Investment Schemes in most cases represent minority interests in the Investee Companies. It is of prime importance that the candidate(s) contesting in the elections are also willing and determined to serve minority interests. Exceptions can be considered in cases where candidate(s), while belonging to controlling group, is impartial in terms of past actions and market reputation.

b. Credibility:

The candidate's credentials will be judged on the criteria of market reputation, performance in current or other boards, their past record in using ABL AMC's proxies, as well as relationship with ABL AMC.

c. Scholastics:

The candidate must possess suitable scholastics for the position. This includes but not limited to qualifications, industry experience and training.

d. Special Agenda:

Consideration will be given to candidates carry special agenda for election on Board that aims to meet common objective of ABL AMC.

In cases where there are more than one candidate of equal stature or in cases where Collective Investment Schemes under ABL AMC has significant holdings to influence the outcome of more than one Board seat, the Investment Committee may decide to split the proxy votes. The split will be clearly spelled out in the relevant minutes of the Committee along with the number of votes being allocated to each candidate.

✓ Corporate Governance:

The ABL AMC will review corporate governance related matters on case to case basis to ensure that such proposals are in the best interest of the Collective Investment Schemes and its Unit Holders. ABL AMC will also review the published statement of compliance with the best practices of corporate governance in the respective annual financial statements of the investee as required by the applicable Listing Regulations.

✓ Appointment of Auditors:

ABL AMC will generally support the re-election of external or statutory auditors unless there are concerns about their independence or commitment to protecting Unit holders' interests. The investee company is in the best position to choose the firms of auditors and we will generally support their recommendations, unless there is clear evidence otherwise.

✓ Changes to Legal and capital structure:

The proposals for approval to alter the capital structure of the investee company, such as an increase in authorized capital/Issue will generally be supported. However, each proposal shall be evaluated on case to case basis in the best interest of the Unit Holders.

✓ Corporate restructuring and Mergers and Acquisitions:

The proposals will review on case to case basis and determined in the best interest of the Unit Holders with a view to enhance value of their investments.

CONFLICT OF INTEREST

- ✓ All decisions pertaining to votes will be taken in the best interest of the Collective Investment Schemes and their Units holders. ABL AMC recognizes that there may be a potential conflict of interest when it votes on an entity with which ABL AMC may have some relationship or connections with Investee Company.

DISCLOSURE OF CONFLICTS

- ✓ When considering a proxy proposal, members of the Investment Committee must disclose any potential conflict (including personal relationships) of which they are aware of and any substantive contact that they have had with any interested outside party regarding the proposal. If a member of the Investment Committee has a conflict of interest, such member must recuse himself or herself from the decision-making process.

RECORD KEEPING & DISCLOSURE

- ✓ Record of actual exercise of votes in the meeting i.e. for/against/abstain on the investee company's proposals will be maintained by the Secretary of the Investment Committee. The details of the votes in the prescribed format will be disclosed annually in accordance with the regulatory requirements.
- ✓ A proxy register will be maintained by the ABL AMC where complete record of all proxies granted will be kept. At minimum, following records will be maintained in relation to proxy voting:
- a. Name of investee
 - b. Name of beneficial owner(s)
 - c. Number of holding
 - d. Voting date
 - e. Voting results