Investing in the Next Generation of Emerging Markets

VERGENT ASSET MANAGEMENT LLP
PROXY VOTING POLICY

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VERGENT

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A. INTRODUCTION

Vergent Asset Management LLP (Vergent) have a fiduciary duty to vote proxies both in a timely manner and in the best interest of clients. The central tenet of our proxy voting policy is that good corporate governance enhances long-term shareholder value. Vergent utilizes the proxy research and voting services of Institutional Shareholder Services (ISS) to help assess and vote proxies in accordance with this voting policy. Additionally, Vergent receives assistance from the Stewardship and Engagement team at Connor, Clark, and Lunn Financial Group, in the execution and tracking of proxies voted. Taking into account Vergent's guidelines below, ISS prepares voting recommendations for all proposals on which we are entitled to vote. Vergent uses these recommendations as a guide, however, certain situations will warrant additional review. Vergent's fund managers are informed of all upcoming votes for review and suggest changes if necessary. In cases where ISS recommends voting against management, Vergent may proactively engage with the company to gain a better understanding of the issue at hand. As a result of this engagement and our assessment of the relevant information, Vergent may choose to vote contrary to the ISS recommendation if it is deemed to be in the best interest of our clients.

The policy that follows is not meant to be exhaustive due to the variety of proxy voting issues Vergent may be required to consider. We may depart from these guidelines to avoid voting decisions that we believe may be contrary to our clients' best interest.

While Vergent takes its voting responsibilities very seriously and uses its best efforts to exercise these rights in all cases, there may be situations when it may be impractical or impossible for Vergent to vote. Such circumstances include a limited number of international markets where share blocking applies or when securities are on loan to a third party. Due to the liquidity and administrative challenges, Vergent will typically not vote in these situations. Vergent may deviate from this approach if the situation warrants.

B. SHAREHOLDER RIGHTS

GENERAL GUIDELINES: Vergent will generally vote in favour of proposals that improve corporate governance practices and give shareholders a greater voice in the affairs of the company and conversely, oppose measures that seek to limit those rights. Vergent believes that shareholders with meaningful ownership should have the right to call a special meeting and will generally vote against proposals restricting this right. Regarding proxy access, Vergent will generally support giving shareholders the right to nominate directors, provided nominations reflect a reasonable level of stock ownership and the nominees are well qualified and prepared to act in the interests of all shareholders. Additionally, Vergent will generally oppose advance notice bylaws that impose unreasonable conditions on shareholders who wish to nominate directors to the board. Vergent will generally vote against proposals that give management the authority to adjourn or extend a meeting unless compelling reasons are provided. Vergent will review proxy contests on a case-by-case basis taking into consideration the long-term company performance, background to the contested election, nominee qualifications and other relevant factors.

VOTING STANDARD: Vergent believes that shareholders should have the right to vote in proportion to their ownership and therefore support the principal of one-share, one-vote. Accordingly, Vergent may generally vote against the authorization or issue of shares that do not have full and equal voting rights, against proposals that support or perpetuate dual share class structures and for proposals to eliminate dual share class structures. Vergent prefers that companies adopt a majority voting for individual directors in uncontested elections. Vergent will generally oppose supermajority voting requirements if they are in attempt to diminish the rights of minority shareholders.

ANTI-TAKEOVER MEASURES: Vergent believes measures that impede takeovers or entrench management not only infringe on the rights of shareholders but may also have a detrimental effect on the value of the company. Accordingly, Vergent will analyse such proposals on a case-by-case basis. Vergent will generally oppose proposals that entrench management or excessively dilute shareholder ownership, regardless of whether they are advanced by management or shareholders. Conversely, Vergent will generally support proposals that restrict or otherwise eliminate anti-takeover measures that have already been adopted by corporate issuers.

C. BOARD OF DIRECTORS

GENERAL GUIDELINES: Vergent believes that directors have a duty to shareholders, and we may withhold votes for directors that fail to act on key issues.

STAGGERED BOARDS: Vergent opposes staggered boards as it is our belief that they can entrench existing management and unduly deter takeovers. Therefore, Vergent will generally vote for proposals to declassify the board of directors.

INDEPENDENCE: Vergent believes in the importance of an independent board of directors and consider a board to be sufficiently independent when greater than fifty percent of directors are independent. In certain Frontier and MENA markets, this threshold is lowered to one third, which Vergent believes to be sufficient at present, however this will be revisited as corporate governance reform progresses in the underlying markets. If the proposed board does not meet our independence criteria, Vergent will generally vote against all non-independent candidates, except for the CEO, as this position is by nature non-independent and in most situations voting against a CEO could be unnecessarily disruptive. While Vergent supports insiders as board members, as we feel they provide valuable knowledge and insight to the company, we believe that insider representation should largely reflect level of ownership or control, and therefore we may refrain from voting against certain non-independent candidates or vote against insiders if the number of insiders serving on a board is excessive. Furthermore, Vergent believes that key committees (Audit, Compensation, Nomination and Governance) should be purely independent and will typically vote against non-independent directors serving on these committees.

SEPARATION OF CHAIR AND CEO: Vergent believes that the responsibilities of the CEO and board Chair are fundamentally different and should thus be filled by different individuals. Therefore, Vergent will support proposals to separate the roles of CEO and Chair and will consider voting against the Chair of the Nomination Committee when the roles are combined, and a lead independent director has not been established.

GENDER DIVERSITY: Vergent believes that board diversity has positive, long-term implications for a company's performance and therefore, we will generally vote against the Chair of the Nomination Committee if a board lacks female representation. In specific markets, this threshold is reconsidered due to cultural nuances, however Vergent will continue to encourage female representation across all markets.

ATTENDANCE: Vergent will typically vote against directors who have attended less than 75% of the board meetings held within a given year without a valid reason for these absences.

TENURE: Vergent opposes age and term limits for individual directors and prefers to see board renewal occur through an annual evaluation process which assesses the effectiveness of the board, its committees and individual directors. If the average tenure of the board exceeds 10 years, Vergent may vote against the longest-serving member of the board, other than the CEO.

OVERBOARDING: Vergent will generally vote against directors who are over boarded. We consider a director over boarded if he/she: i) sits on more than a total of five public company boards; or ii) is a CEO and sits on more than a total of two public company boards.

D. CORPORATE STRUCTURE

GENERAL GUIDELINES: Changes in a company's charter, articles of incorporation or by-laws are often technical and administrative in nature. Absent a compelling reason to the contrary, Vergent will most often vote in accordance with the company's management on such proposals. However, Vergent will review and analyze on a case-by-case basis any non-routine proposals that are likely to affect the structure and operation of the company or have a material economic effect on the company.

MERGERS & ACQUISITIONS: Vergent will review proposed mergers and acquisitions transactions on a case-by-case basis considering them based on their strategic rationale, valuation, long-term interest, and impact on shareholders rights.

SHARE ISSUANCE: Vergent opposes increases in authorized common stock where there is evidence that the shares will be used to implement a poison pill or other anti-takeover devices, or if the issuance of new shares could excessively dilute the value of the outstanding shares.

BUYBACKS: Vergent will consider share buyback proposals on a case-by-case basis by taking into account the impact on long-term shareholder value, the level of disclosure, whether there is evidence that the buyback is being carried out to reward company insiders, and other relevant factors.

E. EXECUTIVE REMUNERATION

GENERAL GUIDELINES: Vergent believes that robust executive remuneration guidelines are vital to the functioning of public companies and are a key expression of good corporate governance. While Vergent is mindful of the complexity of this subject and the varying practices across markets, industries and capitalizations, the following principles guide our voting on matters of executive remuneration. Vergent will consider factors such as company performance, pay-for-performance alignment, and level of disclosure when voting on proposals related to compensation. Additionally, Vergent will consider metrics such as CEO base pay, overall CEO compensation, the multiple of annual CEO remuneration to median remuneration of all other employees, the multiple of annual CEO remuneration to the median of all other senior executives, dilution, and the annual burn rate. Should Vergent have concerns regarding any of these metrics, we may vote against an advisory vote on executive compensation and may also consider voting against the Chair and members of the Compensation Committee.

F. DIRECTOR REMUNERATION

GENERAL GUIDELINES: Vergent believes that that pay for non-executive directors should be structured in such a way that ensures independence, objectivity, and alignment with shareholders' interests. Non-executive directors should not receive performance-based pay such as performance stock units (PSUs) or stock options, as this can encourage excessive risk-taking and impair objectivity. Instead, Vergent prefers non-executive directors receive compensation in the form of cash or alternatively restricted stock units (RSUs) or deferred stock units (DSUs), which have the same economic interest as shares, and therefore directly align the interests of directors with those of shareholders.

G. AUDIT FUNCTION

GENERAL GUIDELINES: Vergent believes that the company remains in the best position to select an auditor and will generally support management's recommendation. However, Vergent recognizes there may be inherent conflicts of interest arising when a company's auditor provides substantial non-audit related services for the company. Therefore, Vergent may vote against the appointment of an auditor if the fees for non-audit related services are disproportionate to the total audit fees paid by the company or there are other reasons to question the independence of the company's auditors.

H. RESPONSIBLE INVESTMENT

GENERAL GUIDELINES: As a signatory of the UN-backed Principles for Responsible Investment, Vergent takes into account environmental and social implications in our proxy voting. Specific proposals related to Environmental and Social issues will be reviewed and analyzed on a case-by-case basis. However, Vergent will generally vote in favour of shareholder proposals that seek to improve disclosure of environmental risks and will also generally vote in favour of shareholder proposals to improve transparency regarding social issues, provided it is in the best interest of shareholders.

Vergent recognizes that climate change poses both risks and opportunities for companies. Vergent will vote on a case-by-case basis, but generally supports climate-related proposals seeking increased disclosure of climate-related risks.

I. PROXY VOTING RECORDS

Vergent provides a summary of our proxy voting record to its clients on a quarterly basis. Additional information is available to our clients on request.