CULLEN
CAPITAL MANAGEMENT

VOTING POLICY

Schafer Cullen adheres to the following voting guidelines for all investments held in strategies managed with an ESG mandate. The purpose of this policy is to set out the guidelines for the exercising of voting rights.

1. Applicable Rules

Proxy voting will be exercised taking into account the voting guidelines set forth in the Appendix below. The investment team is responsible for ensuring that voting guidelines are kept up to date where necessary to reflect changes in circumstances and actual (ESG) practices.

Schafer Cullen supplements its internal research with external advisory services, such as proxy advisory firms. However, Schafer Cullen retains full and independent discretion with respect to proxy voting decisions.

Voting guidelines describe Schafer Cullen's general positions on various issues but are not intended to be exhaustive or prescriptive. Each portfolio manager retains ultimate discretion for the voting decisions.

- **Voting Process**
  Proxy voting is completed through an online platform by the compliance team in keeping with instructions from the portfolio manager(s) of each strategy.
- **Record Keeping**
  The investment team maintains a record of each proxy vote executed and the reasons behind each voting decision if such decision was in dissent from board and/or external advisory recommendations.

2. Conflicts of Interest

- **Firm Level**
  When evaluating any given proxy, the investment team considers whether there is a potential conflict relating to the security being voted on, including but not limited to the following:
  - A portfolio manager or a member of Schafer Cullen's management team is also a board member or major shareholder of the issuer of the security being voted on
  - Where we know, a large client of Schafer Cullen is also a board member or major shareholder of the issuer of the security being voted on

  Any such conflict of interest is notified to the Chief Compliance Officer (CCO) and if the CCO deems the conflict to be material, he/she determines whether the vote proposed by the portfolio manager is in the best interests of the strategy. If the CCO cannot conclusively determine that the vote is in the best interests of the strategy, the CCO may recommend restraining from voting or seek the advice of an independent third-party service to provide the proxy voting recommendation. The process is documented by the CCO.

- **Personal Level**
  There may be occasions where a Schafer Cullen employee has a known personal relationship with corporate directors, corporate director candidates or other roles on a company board. All Schafer Cullen employees with proxy voting responsibilities are required to report any known personal conflicts of interest regarding proxy issues with which they are involved. In such instances, the CCO will log the conflict of interest and review the portfolio manager's decision on the vote.

OBJECTIVE

Schafer Cullen views proxy voting as an integral part of its investment management responsibilities. Exercising all voting rights is an important element of our approach as responsible investors.

We consider quality corporate governance to be a driver of sustainable performance for investors and stakeholders alike and we believe active stock ownership through voting is a vital part of a quality and well-functioning governance structure.

Broadly, we are guided by the following principles:

- To act in the best interest of the strategy and our clients
- To act independently from any conflict of interest relating to the security being voted on
- To ensure voting rights are exercised in accordance with the portfolio's objectives and investment policies
- To take into account any costs associated with voting (e.g. high administrative costs or share blocking requirements that lock up securities, etc.)

3. Reporting

We do not currently independently publish or report on our voting record. However, our historical voting record is available upon request.

4. Class Action

Schafer Cullen does not take part in class actions.

5. Appendix

➢ **Financial Statements & Audit Approval**

Schafer Cullen will approve accounts so long as there is no reason to question their reliability. Schafer Cullen will vote to approve auditors when we regard them as independent.

- **Financial Statement, Director Report and Audit Approval**

  We will vote against approval of the accounts when:
  - The date of publication does not allow proxy voting shareholders sufficient time to review the information prior to the vote
  - There are concerns on reliability of the accounts or followed procedures

- **Appointment and Compensation of Auditors**

  We will vote against the appointment and compensation if:
  - There are serious concerns about the procedures used by the auditor
  - The auditors are being changed without explanation
  - Issues regarding the tenure, fees and independence of the auditors are not in line with best market practice
  - Conflicts of interest arise through high non-audit fees charged by the auditor

➢ **Board of Directors**

Schafer Cullen supports resolutions that promote the effectiveness of boards in acting in the best interest of shareholders. This includes consideration of independence, experience, diversity and aligned interests.

- **Board Structure**

  We favor the separation of the Chairman and Chief Executive Officer roles and will vote accordingly. We do, however, recognize the combination of the roles may be called for in certain situations. For smaller companies, the separation of the two roles may not be the most effective structure.

  Additionally, we take a flexible stance on board structure and composition when investing in companies with a controlling founding family ownership. Often this results in the CEO and Chairman roles to be held by the same person, and it can also result in fewer independent directors on the board than would otherwise be preferable. We believe the benefits of these founding, long-term investors outweigh the corporate governance risks.

- **Board Composition**

  The Board of Directors provides strategic direction for a company, and therefore benefits from the diversity and expanse of experience. We encourage companies to recruit board members from a variety of backgrounds and ethnicities, and to make every effort to recruit women to levels of fair representation. We review nominated directors on a case-by-case basis and will vote accordingly.

  We prefer boards where:
  - Majority non-executive directors, majority of which should be independent
  - An independent lead director is appointed when the role of CEO and Chairman are combined
  - Size ranges from 5 to 18
  - There is diversity of gender, age, nationality, educational background, and experience

- **Board Committees**

  We believe it is particularly important that there exist three specialized committees that report to the board: an Audit Committee, Nomination Committee and Compensation Committee.

  Due to the important role played by the Audit Committee in preventing conflicts of interest when auditing accounts statements, internal control procedures and the choice of statutory auditors, we recommend at least a majority of the committee members are independent. If this is not the case, we will consider voting against a director nomination.

To be free of conflicts of interest, the compensation committee chairperson and the majority of its members should be independent. If this is not the case, we will consider voting against a director nomination.

We accept the presence of representatives of significant shareholders on a nomination committee in proportion to their equity or voting stake in the company, but not for audit or remuneration committees.

For those companies that are small to medium sized, we encourage the establishment of such committees when possible.

- **Board Responsiveness**
  We believe that boards should acknowledge and respond sufficiently to votes that receive less than 80% support from shareholders. An issue that raises over 20% shareholder dissent should be properly examined.

- **Board Diversity**
  We believe that boards made up of directors with a diversity of perspectives, experiences and backgrounds can provide most value for organizations and ultimately shareholders. We do not base voting recommendations on any specific quota level but may vote against the nominating committee chair when a board fails to meet legal requirements or the best practice standard in a market without sufficient explanation.

➢ **Executive Compensation**

Schafer Cullen supports compensation packages that ensure alignment of interest between the executives and shareholders. Performance incentives should be long-term in nature and should include equity allocation. Compensation packages considered excessive will not be supported.

We prefer compensation plans with sufficient weight to long-term over short-term performance, and vote against plans that are overly dilutive or that appear excessive. We also expect transparency over how bonuses are granted and against which performance targets.

Other elements we will review and consider when voting include:

- Sufficient disclosure on remuneration practices
- Remuneration that appears excessive
- Concerns about board accountability

We will consider voting against the proposed remuneration policy if:

- Performance targets are changed retrospectively
- Substantial one-off payments are made without performance criteria
- Golden handshakes / parachutes

We consider severance arrangements on a case-by-case basis.

➢ **Share Issuance**

Schafer Cullen will vote according to the interest of current shareholders and will look to avoid risk of dilution of shares. There may be instances where share issuance is beneficial, when used for employee incentives for example. We are not in favor of routine requests for share issuances without pre-emptive rights and reserved for specific beneficiaries unless Schafer Cullen can provide specific justification. We will review each situation on a case-by-case basis.

We vote against requests to increase capital in the event of demand exceeding amounts submitted to shareholder vote, that would lead to a breach of the maximum dilution thresholds set above. We review proposals to approve debt issuance, or to reduce capital, on a case-by-case basis.

➢ **Mergers & Acquisitions**

Schafer Cullen will review each situation on a case-by-case basis, considering strategic, financial and governance risks and benefits associated with the transaction.

We vote to approve mergers and acquisitions, unless:

- There is insufficient information provided to make an informed decision
- Voting rights are altered disproportionately
- The structure following the activity does not display good governance
- The merger does not appear to be in the best interests of shareholders

- **Environmental & Social Issues**

Where it aligns with the best interests of shareholders, Schafer Cullen will vote to encourage companies to increase transparency regarding their environmental and social policies and impacts, as well as hold companies accountable for a lack of progress against prior ESG commitments.

We believe that companies have a responsibility to pay due attention to environmental and social issues; a failure to do so can present direct legal, financial, regulatory and reputation risks that can harm the company value and shareholder interests. Therefore, we believe that companies should have a sufficient oversight structure in place, including where appropriate board-level responsibility. Where it is clear that a company has not properly managed environmental and social risk, it will consider voting against members of the board who are responsible for oversight of such risks.

We expect companies to report on environmental, social and governance issues which are considered material to the company. We may vote against either the committee or director responsible for sustainability, or in their absence against the chair of the audit committee if this is not the case.

We expect companies to manage climate risks in a responsible manner. However, if:

- The board does not have sufficient responsibility and oversight of climate action, we may vote against the audit committee or board chair.
- The board is not sufficiently managing climate risk, we may vote against the members of the board who are responsible.
- If executive compensation is not linked to environmental and social criteria, or if companies with high exposure to climate risk do not have an adequate compensation tie-in to climate issues, we may vote against the proposed compensation plan.

We are in favor of resolutions that encourage a company to improve its environmental and social practices, as long as they are in the interests of shareholders. Good social and environmental responsibility enhances a company's chances of long-term success and may be to the benefit of shareholders. As always, all resolutions are analyzed on a case-by-case basis.