Trinetra Investment Management LLP
Proxy Voting Policy

Introduction

Trinetra Investment Management ("Trinetra") considers proxy voting as a key obligation, and one that we must discharge consistently and responsibly.

We describe here the policy for our approach to proxy voting for companies in which we invest on our clients' behalf.

Because standards and practices differ between countries, and because we invest in Emerging Markets, where these standards themselves are developing, we do not attempt to apply the guidelines inflexibly. We instead apply them in the context of culture in the respective markets, and consider what course of action we believe is likely to results in the best outcome for investors.

Principles

Given the range of countries in which we invest our clients' funds, we are conscious that regulations, standards and conventions often differ, and that what may be considered a reasonable expectation in one market may be unrealistic in other markets.

When necessary, we will depart from the principles to avoid voting according to a decision that could be contrary to the long-term interests of our clients.

We seek to vote on every item and every meeting where we are legally entitled to vote. A rare exception might occur such that we decline to vote, for example, when share blocking would result in shares being locked up, denying the valuable flexibility to make use of market opportunities.

We do not loan securities, and therefore do not have to recall shares to exercise our voting rights.

We are a signatory to the UNPRI (https://www.unpri.org/about/the-six-principles).

Guidelines for Proxy Voting

We evaluate each voting decision using both our policy and our guidelines. The overarching principles are sustainability and alignment between the management of a company and the shareholders' long-term interests, with the objective over that time of optimising shareholder value. This applies to the remuneration of a company's Board and senior executives, the Board's composition in terms of diversity and independence, and the governance structures employed, agreements with auditors, approach to M&A, and implementation of ESG principles.

It is our policy to vote on all proxies, save the exceptions outlined above.

Conflicts of Interest

In addition to our broader Conflicts of Interest Policy, we have a specific approach to conflicts that may arise around our proxy voting activity. By necessity, this is applied on a case by case basis. While we expect cases to arise very rarely, issues can still arise, for example, where we may have a specific business relationship with a company for which we are expected to submit voting decisions. In general, we will make decisions which are in line with our consistent approach. When such a conflict arises, we commit to always vote in the interests of our clients. We will appropriately disclose conflicts to clients when they arise, and if a conflict arises that pertains to specific members of staff, then we will attempt to ensure that the staff member involved recuses himself or herself from the voting process.

Research

Trinetra uses Institutional Shareholder Services Inc. ("ISS") to administer its proxy voting activities, and to provide research and guidance on voting.

Policies

The latest policies adopted by the ISS as the basis for their recommendations are available on the ISS website here:

https://www.issgovernance.com/policy-gateway/voting-policies/

We have neither delegated nor outsourced our decision-making for proxy voting duties. While we take voting recommendations from ISS into account when we make decisions on voting, we determine decisions based on several considerations.

We consider each vote and vote on every meeting for companies in which we invest our clients' funds. Consideration is given on the basis of the proxy documents, the research from ISS, our own policy and guidelines, and the way in which they all pertain to the specific context of the company and its issues. Some issues may not be sufficiently clear or point to specific outcomes even with the applications of the above sources. In such cases, our interpretation of the intentions of, for example, a policy, or our own judgement, may be applied.

We try to manifest our beliefs through our Proxy Voting Policy. Our Proxy Voting Policy is based on the ISS standard policies as they pertain to each country in which we invest. Those policies are augmented by additional policies that have been shaped by our beliefs, which in turn are shaped by our Immersions research. During Immersions research, we spend time on the ground in consumers' homes in emerging markets to understand their hopes, anxieties, aspirations and solutions they see to their own problems.

While we invest in companies on the basis of the positive impact that we believe that they might have on their customers, and sometimes a wider set of stakeholders, positive impact is rarely absolute. Many companies present a mix of attributes and behaviours, both positive and negative. Hence our policies, summarised below, are applied in that regard.

ESG and Sustainability

We are supportive of management who seek to disclose sustainability and ESG activities for their company, for example in the form of a Sustainability Report. We support workplace diversity policies that promote equal employment opportunities based on gender, gender identity and sexual orientation. We are also supportive when management attempts to close any "pay gaps" that may point to workplace discrimination.

Our Immersions research aims to understand first-hand from consumers themselves the issues that they face. Similarly, the UN's Sustainable Development Goals (SDGs) provide a more holistic list of the problems that humanity is facing and need to be solved. Our work aims to find solutions in two areas: Health & Wellness and Equality: equality for the next billion that have to rise from the bottom of the pyramid; for women; for the young; and for older adults who, we believe, can deliver a longevity dividend if they are provided with opportunities to retrain and stay healthy. The companies that we invest in provide solutions to these problems, and we are supportive of managements who try to deliver on these goals.

Our ESG and Sustainability Policies include consideration of the following:

- We seek to back proposals that support or expand a company's sustainable credentials, its activities towards commendable corporate citizenship, or away from legacy activities that may damage those credentials.

- Transparency and reasonableness are important factors in attempting to understand a company's position.

- We are mindful of proportionality when assessing impact, for example considering what proportion of sales, profits or assets are at issue, and how the company has responded, including in the case of litigation or regulatory intervention.

- Alignment with shareholders' long-term interests, among the interests of other stakeholders, is paramount.

- Climate change and environmental considerations will be addressed on a case-by-case basis, however our investment process prevents investment in companies that would be considered major polluters – our proxy voting service provider has informed us that there have been no votes in the past three years that pertain to climate change.

Diversity, Boards and Committees

We favour boards that are strong, independent and diverse. We consider an effective board to be vital to the sustainability of a large and complex business. We would, for example, oppose the re-election of any directors who appear not to grasp their responsibilities or the concept of aligned incentives. We are supportive therefore of diverse boards on which a number of women sit, and where there is a range of experiences and abilities, that can be put to good use in the direction of the company.

While we are sensitive to cultural conventions, we find discrimination on the basis of gender, gender identity, race, religion, nationality, or sexual orientation to be wrong. We consider striving for equality to be a just cause. We also believe that discrimination represents of waste of talent that could otherwise contribute to long-term shareholder value, company sustainability, and economic development.

As well as board diversity, we favour the principle whereby a majority of directors are independent, and there is an independent lead director (when the chairman is not independent). We also expect directors to post reasonable attendance records for board meetings. We may not be supportive if a director has too many other roles or directorships. We are also supportive of the separation of the roles of the Chairman and the CEO. We are mindful that local conventions and best practice vary across different markets.

We expect formal committees to be suitably constituted from the board, namely the Audit Committee, Nomination Committee and Remuneration Committee, and do not support committees that are constituted such they reflect the same members as the Board itself.

Our Diversity, Board and Committee Policies include the following:

- We will generally disapprove of the election or re-election of non-independent director nominees when independent directors make up less than a majority of the directors. Local conventions and best practice are nevertheless relevant factors in this regard.
- We do not back non-independent director nominees who serve on audit, compensation, or nomination committees, or if the full Board effectively acts as such a committee.
- We will usually vote against the election or re-election of combined chairs and CEOs, and against the election or re-election of former CEOs as chair of the main Board.
- We would expect to see reasonable disclosure given in a timely manner; adequate rationales for restatements; avoidance of transactions that appear questionable, especially where a conflict of interest may have arisen; protection of the interests of minority shareholders; an absence of concerns about specific individuals fitness and propriety, especially if questions relate to criminal wrongdoing or breaches of fiduciary responsibility; and good attendance of Board meetings.

Board Remuneration

In proposals relating to compensation, we seek clarity and alignment with shareholders' long-term interests, as well as sustainability goals. We also seek remuneration of independent directors that is not excessively generous such that it compromises the independence that their roles necessitate. Long-term alignment should mean that vesting periods are also long-term. The avoidance of discretionary elements in awards helps to establish the clear criteria against which performance is measured.

The assessment of compensation is aligned with the Sustainability Global Principles on Executive and Director Compensation. These principles take into account global corporate governance best practice. The Global Principles on Compensation sit behind market-specific policies in all markets, and include:

- providing shareholders with clear, comprehensive compensation disclosures
- maintaining appropriate pay structure with emphasis on long-term shareholder value
- avoiding arrangements that risk "pay for failure"
- maintaining an independent and effective compensation committee
- avoiding inappropriate pay to non-executive directors

For votes relating to remuneration and sustainability or climate change issues, we will consider issues on a case-by-case basis.

Mergers & Acquisitions and Capital Structure

When companies seek to raise capital, we are supportive of shareholders' pre-emptive rights to participate in capital raising to avoid the negative effects of dilution. We will however examine capital raising on a case by case basis, given that it may not be appropriate to provide full rights. We will actively oppose merger or acquisition activity that we believe is not in shareholders' long-term interests, for example where the strategy represents a significant deviation from that which first led us to invest our clients' funds in a certain company.

Our Mergers & Acquisitions voting will consider the following:

- the merits of the deal, including a balance of risk, financial return and strategic benefit, including the proposed consideration (e.g., shares or cash)
- whether our investment rationale has been breached
- management's acquisition track record
- conflicts of interest, namely the extent if any to which insiders may benefit disproportionately
- ongoing governance arrangements
- broader stakeholder impact, including employees, customers, local communities and the environment
- sufficient disclosure to make an informed decision relating to all of the above

We believe that capital structure and management's attitude towards new share issuance can critically determine long-term value creation or destruction for shareholders. We consider certain thresholds in relation to votes that pertain to capital structure and share issuance, and depending on the markets concerned. Authority to issue new shares can have legal limits that vary between markets. Likewise, the period of authority should be limited, and the amount of any discount is a relevant consideration. The existence of pre-emptive rights for shareholders is a key factor for us.

Auditor Appointment

Auditors should be sufficiently independent from the company and its management in discharging their fiduciary duties to shareholders.

Our Auditor Appointment Policies include the following:

- We generally disapprove when auditors' fees for non-audit services exceed either 100% of the standard audit fees or otherwise a stricter limit according to local best practice or regulation.
- We generally disapprove when the audit partner previously served as a director of the company.

Shareholder Proposals

We consider shareholder proposals on a case-by-case basis. We may also consider tabling our own shareholder proposals as part of our escalation process, which can be found in the Responsible Investing section of our website.

October 2021