

FOR PROFESSIONAL CLIENTS, QUALIFIED INVESTORS, INSTITUTIONAL INVESTORS, WHOLESALE INVESTORS
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PROXY VOTING POLICY

AUGUST 2020

PROXY VOTING IS AN ESSENTIAL PART OF CREATING SHAREHOLDER VALUE, ENSURING GOOD GOVERNANCE AND DELIVERING INVESTMENT PERFORMANCE TO CLIENTS. INSIGHT SEEKS TO ACTIVELY EXERCISE ITS RIGHTS AND RESPONSIBILITIES IN REGARDS TO PROXY VOTING ON BEHALF OF CLIENTS. THE INSIGHT VOTING POLICY (“POLICY”) EXPLAINS HOW OUR VOTING ACTIVITIES PROMOTE THE EFFICIENT AND SUSTAINABLE OPERATION OF INSIGHT HOLDINGS.

POLICY STATEMENT

Insight is committed to voting all proxies where it is deemed appropriate and responsible to do so. Insight takes its responsibility to vote very seriously and votes in the best interest of clients.

SCOPE

This Policy applies to all financial instruments with voting rights which clients and funds hold, that have delegated proxy voting to Insight.

VOTING POLICY

The Policy is designed around best-practice standards which we believe are essential to delivering long term value to shareholders.

LEADERSHIP

Every company should be led by an effective board

- **Strategy:** Company leadership should define a clear purpose and set long term objectives for delivering value to shareholders.
- **Culture:** The board should promote a culture which strongly aligns to the values of the company. It should seek to monitor this culture and regularly engage with its workforce.
- **Engagement with Shareholders:** The board and senior management should be transparent and engaged with existing shareholders. The board should have a clear understanding of the views of shareholders. It should seek to minimize unnecessary dilution of equity and preserve the rights of existing shareholders.
- **Sustainability:** The board should take account of the risks and opportunities from environmental and social factors when setting strategy and in their company monitoring role.

STRUCTURE

The board should have a clear division of responsibilities

- **The Chair:** The chair of the board should demonstrate objective judgment and promote transparency and facilitate constructive debate to promote overall effectiveness.
- **The Board:** There should be an appropriate balance of executive and non-executive directors. Non-executive directors should be evaluated for independence. No one individual should dominate the board's decision-making. There should be a clear division, between the board and the executive leadership of the company.
- **Resources:** The board should ensure it has sufficient governance policies, influence and resources to function

effectively. Non-executive directors should have sufficient time to fulfil their obligations to the company as directors.

EFFECTIVENESS

The board should seek to build strong institutional knowledge to ensure long-term efficient and sustainable operations

- **Appointment:** There should be a formal appointment process, which ensures that the most qualified individuals are selected for the board. This process should be irrespective of bias to ensure appropriate diversity on the board.
- **Knowledge:** The board should be comprised of those with the knowledge, skills and experience to effectively discharge their duties. The board should have sufficient independence to serve as an effective check on company management and ensure the best outcomes for shareholders.
- **Evaluation:** The board should be evaluated for effectiveness on a regular basis. Board members' contributions should be considered individually.

INDEPENDENCE

The board should present a fair and balanced view of the company's position and prospects

- **Integrity:** The board should ensure that all reports it produces accurately reflect the financial position, prospects and risks relevant to the company. The board should ensure the independence and effectiveness of internal and external audit functions.
- **Audit:** The board should ensure that clear, uncontentious accounts are produced. These should conform to the relevant best accountancy practices and accurately represent the financial position of the company. Deviations from standard accounting practices should be clearly documented with a corresponding rationale.
- **Risk:** The board should ensure the company has sound risk management and internal control systems. There should be a regular assessment and communication of the company's emerging and principal risks.

REMUNERATION

Levels of remuneration should be sufficient to attract, retain and motivate talent of the quality required to run the company successfully

Goal Based: The board should base remuneration on goals-based, qualitative, discretionary cash incentives. Remuneration should consider underlying industry and macroeconomic conditions and not be structured in a tax-oriented manner.

- **Transparent:** Remuneration arrangements should be transparent and should avoid complexity.
- **Sustainable:** Remuneration should not be excessively share based and should be accurately represented and controlled as an operational cost. Remuneration of executives should promote a long-term focus and respect the interests of existing shareholders.

ENGAGEMENT

Voting is a component of Insight’s engagement strategy. Insight seeks to vote on all holdings with associated voting rights in one of three ways; in support of, against, or in abstention. Insight monitors, evaluates and may support other shareholder campaigns and has the ability to promote its own resolution.

Where Insight has a significant holding and intends to vote against company management, it will generally seek to open a dialogue with management about its voting intention. Insight hopes that this collaboration can enhance the value of assets for the beneficial owners.

VOTING AGENT

Insight provides detailed voting guidelines to Minerva, a third-party proxy voting servicer. Minerva monitors company meeting agendas and items to be voted on. Minerva reviews each vote against Insight’s specific criteria and provides a recommendation for each item.

Insight votes in line with the recommendations of the proxy voting agent and documents where it makes a voting decision against the recommendation. The rationale for , abstaining or voting against the voting recommendation is retained on the Minerva platform on a case-by-case basis.

Minerva identifies contentious issues that represent a significant monetary or strategic decision. Where there is no conflict identified, these proxies are voted by the Portfolio manager as an investment decision.

Where Insight has a significant holding and the proxy agent does not make a voting suggestion, the vote will undergo a conflict check. When a conflict or potential conflict is identified, the vote will be escalated to the Proxy Voting Group.

Voting decisions are communicated to Minerva. These votes are submitted to shareholder meetings through a specific proxy. Minerva provides reports on voting activity to Insight quarterly. Voting data is available to clients upon request. Insight’s voting record is posted annually on its website.

CONFLICTS OF INTEREST

Insight votes in the best interest of clients without undue influence from any other consideration. There is a potential for conflicts of interest to arise when Insight invests in firms which are its clients or potential clients. There is also potential for conflict between investment teams with fixed income holdings in publicly listed firms. In situations where there is a conflict of interest or perceived conflict of interest, the issue will be raised to the Proxy Voting Group. All conflicts are handled in line with the Insight Conflicts of Interest Policy.

PROXY VOTING GROUP

The Proxy Voting Group (‘PVG’) or (the ‘Group’) is responsible for overseeing the implementation of voting decisions where Insight has voting authority on a security on behalf of clients.

The PVG is responsible for an annual review of the voting policy and guidelines. Any voting decision not resolved by the PVG will be escalated to the Investment Management Group (IMG). The PVG also reviews contentious votes which have been escalated by investment desks. The PVG is appointed by, is accountable to and provides biannual updates to the IMG.

DISCLOSURE

In certain foreign jurisdictions, the voting of proxies can result in additional restrictions that have an economic impact to the security, such as “share-blocking.” If Insight votes on the proxy, share-blocking may prevent it from selling the shares of the security for a period of time. In determining whether to vote proxies subject to such restrictions, Insight, in consultation with the Proxy Voting Group, considers whether the vote, either in itself or together with the votes of other shareholders is expected to affect the value of the security that outweighs the cost of voting. If Insight votes on a proxy and during the “share-blocking period” it would like to sell the affected security, then in consultation with the Proxy Voting Group it will attempt to recall the shares (as allowable within the market time-frame and practices).

Insight publishes its voting activity in full on its website and annual report. This can be found at www.insightinvestment.com/ri.

