

PROXY VOTING POLICY

Foord invests on behalf of segregated and collective investment scheme portfolios in companies listed on approved stock exchanges. It owes a fiduciary duty to its investors to vote on company resolutions in a manner that preserves and enhances the investor's investment interest. Corporate abuses are more probable in an environment of shareholder apathy. Shareholders must actively participate in protecting the value of their investments against potentially harmful management decisions.

Guiding principles include:

-)] Do not abstain unless for strategic or tactical reasons. Foord takes its stewardship responsibilities very seriously. We apply our minds to every resolution put to shareholders.
-)] Vote against resolutions that dilute the interests of shareholders. Examples include placing shares under the blanket control of directors, authorising loans and financial assistance to directors, associate companies or subsidiaries and blanket authority to issue shares.
-)] Vote against share option remuneration models. Share option schemes offer inherent risk-reward asymmetry and dilute existing shareholders. We favour the alignment created between management and shareholders when management buys shares in the market for cash. Foord's management remuneration philosophy therefore supports cash awards to good managers that achieve performance metrics that enhance long-term shareholder value.
-)] Scrutinise director appointments closely. We pay special attention to the election and re-election of directors. Appointees must be appropriately qualified and experienced for the company's industry. Track records must show the highest ethical and governance standards. We apply strict criteria to the election of independent directors and chairpersons.
-)] The proper composition and size of boards and board subcommittees.
-)] Auditor rotations in line with the King codes of governance.

The voting process is as follows:

-)] Administrators collate proxy voting forms for shares held in client portfolios. Portfolio managers will initiate/undertake voting following internal discussions and in-line with Foord's voting policy.
-)] Administrators process the approved proxy forms. The vote, voting rationale and resolution outcome is recorded on the Foord investment administration system for reporting purposes.
-)] Administrators retain completed proxy voting forms in the corporate actions database.