

Introduction

This policy is designed to ensure that TT International (“TT”) takes all reasonable steps to vote proxies on behalf of the accounts for which it has voting authority, acting in the best interest of those clients and in accordance with applicable laws.

General Guidelines

All issues presented for shareholder vote are voted in what TT believes to be in the best interests of the beneficial owners of the accounts which it manages, in accordance with TT’s fiduciary duties to its clients. TT maintains an active investment strategy, and if TT has a material concern about the management or governance of a company in which it has invested, it may decide to sell the shares. TT decides how to cast each vote on a case-by-case basis, taking into consideration this policy, its obligations under its management agreements with relevant clients, fund offering documents, and other facts and circumstances which it judges relevant. TT will always comply with a client’s lawful instructions when exercising voting rights attached to that client’s securities.

Proxy voting decisions are taken by the COO (or in his absence by the Chief Risk Officer or such other partner or employee as the COO in his discretion appoints). All proxy cards, proxy statements, and related materials received by TT in relation to client accounts are forwarded immediately to the COO. In taking proxy voting decisions on behalf of client accounts, the COO shall seek to vote proxies consistently for all client accounts subject to any special agreements with, instructions from, and sensitivities of particular clients. While the portfolio managers may be asked for financial, market or commercial information that may assist the COO, normally they will not be consulted on how proxies should be voted.

In relation to the hedge funds which it manages, TT votes proxies only in exceptional circumstances. TT believes this approach is in the interests of the funds’ investors, in view of the typically high turnover of the funds’ holdings.

Compliance Reviews

Compliance will monitor the operation of this policy as part of its risk-based monitoring programme and will produce periodic reports accordingly. Compliance is also responsible for reviewing this policy annually and recommending any appropriate changes to the COO and General Counsel.

Voting Guidelines

TT exercises its voting power in good faith and uses reasonable care in reaching its voting decisions. Each vote requires individual consideration according to the circumstances of the case. Particular circumstances may lead to a departure from TT’s general practice. However, without detracting from TT’s discretion, the following guidelines should be generally followed:

Board of Directors and Chairman/CEO

1. At least half of the board, excluding the Chairman, should be comprised of non-executive directors determined by the board to be independent. Where the presence of one (or more) non-independent non-executive Directors prevents this, then a full explanation should be given as to why the Company believes the continued presence of those non-independent non-executive directors is important. Subject to the merits of that explanation, a vote against a non-independent non-executive director should be placed in order to achieve board balance.
2. Audit and Remuneration Committees should be comprised of non-executive directors and especially the role of the Chairman should be filled on both committees by a non-executive director. The Company Chairman (if independent) can be a member of the Remuneration Committee but not Chair the Committee.
3. The Chairman can only chair one FTSE 100 company or the equivalent if outside the UK.
4. The Chairman should be independent. The CEO should not be promoted to be Chairman of the Company. A vote against the board should be made where the Chair and CEO is the same person.

5. In determining whether a director is independent, in general over nine years service leads the director to be considered no longer independent. Likewise, in general, a director is not independent when a board member of two or more boards of companies within the same Group or is acting as a representative of a shareholder in the Company.
6. Directors should be re-elected at regular intervals.

Dilution

1. Subject to paragraph 2 below, consider routine and vote in favour of authorisation to allot new shares, in the amount of up to one third of existing issued share capital. In addition, and again subject to paragraph 2, consider routine and vote in favour of a further one third applied to fully pre-emptive rights issues only, it should be noted authorisation shall be valid for one year only. Pricing and other terms of issue should be decided by the board.
2. Vote in favour of resolutions seeking authority to issue non-pre-emptively, no more than 5% of ordinary capital in any one year. Furthermore, companies should not issue more than 7.5% of the company's ordinary share capital for cash other than to existing shareholders in any rolling three year period. This paragraph takes precedence over paragraph 1 above.

Executive Compensation

1. Vote in favour of share-based incentives that align the interest of the executive directors with that of shareholders and link reward to performance over the longer term. A significant proportion of executive directors' remuneration should be structured so as to link rewards to corporate and individual performance. Performance conditions should be disclosed.
2. Vote against incentive awards to be awarded to Chairman or independent directors.
3. Vote against guaranteed, pensionable or discretionary annual bonuses.
4. Vote against grants of matching shares without attendant performance conditions.
5. Vote against long term incentives featuring a performance period of less than three years. In addition, options should not be exercisable more than 10 years from the date of the grant.
6. Vote against any provision of re-testing of performance conditions.
7. Vote against the grant of options at a discount to market value with the exception of HMRC approved savings-related share option plans.
8. Vote against early vesting of share awards where pro-rating (for both time and performance) is not applied.
9. Vote against change in control provisions triggering earlier and/or larger payments and rewards and vote against transaction-related bonuses.
10. Vote in favour of the Remuneration Committee retaining discretion to reduce or reclaim payments if performance achievements are subsequently found to have been significantly mis-stated.
11. Vote against any arrangements that guarantee pensions with limited or no abatement on severance or early retirement.
12. Vote against share based incentive schemes which lead to dilution of more than 10% of the issued ordinary share capital in any rolling 10 year period.
13. Vote in favour of all-employee schemes such as savings-related share option plans, SAYE schemes and other share incentive plans that are approved by HMRC and work within an appropriate best practice framework.

Other

1. Abstain on any proposal that is not supported by sufficient information in the resolution or supporting papers/website to enable an appropriate decision to be made.
2. Consider routine and vote in favour of share buy back schemes up to 10% of issued share capital, to allow the directors flexibility to use the shares to settle share based incentive schemes, to cancel the shares or re-sell the stock for use in the event of a corporate action such as a takeover/merger.
3. Vote in favour of donations to political organisations as defined by the UK Companies Act only if; (1) a cap is set on the level of donations, (2) the recipient is a body concerned with policy review and law reform, with the representation of the business community or sections of it or with the representation of other communities or special interest groups, and (3) it is clearly in the company's interest to support the recipient.
4. Vote against anti-takeover defences unless a particular case is considered by the COO to be in the best interest of shareholders.

Client Requests

TT must deliver to each client for which it has proxy voting authority, no later than the time it accepts such authority, a written summary of its Proxy Voting Policy. Upon receipt of any oral or written client request for information on how TT voted for a client's own account, TT must promptly provide the client with the requested information in writing.

Record Keeping

TT shall maintain, in an easily accessible place for a period of not less than six years from the end of the fiscal year during which the last entry was made on such record, the first two years in an appropriate office of TT: (i) a copy of this policy, (ii) proxy statements received regarding client securities, (iii) records of votes cast by TT on behalf of clients, (iv) records of client requests for proxy voting information and responses of TT to such requests, and (v) any documents created by TT that were material to making a decision how to vote, or that memorialized the basis for the decision.

TT may rely on proxy statements filed on the U.S. Securities and Exchange Commission's EDGAR system instead of keeping its own copies, and may rely on proxy statements and records of proxy votes cast by TT that are maintained with a third party, such as a proxy voting service, provided that TT has obtained an undertaking from the third party to provide a copy of the documents promptly upon request.

With respect to proxies voted on behalf of ERISA accounts, TT shall maintain records with respect to this policy and the actions taken in individual proxy voting situations, in order to enable the named fiduciary of the applicable plan to determine whether TT is adhering to applicable proxy voting guidelines and fulfilling its fiduciary duties to the plan in a manner which justifies the continuation of the advisory appointment. These records may include information regarding (i) the issuer and the meeting, (ii) the issues voted on and a record of the vote, (iii) the number of shares eligible to be voted on the record date on behalf of the client, (iv) the number of shares voted by TT on behalf of the client, (v) the steps taken to ascertain whether a particular vote was prudent and in the interest of the participants and beneficiaries, and (vi) the reasons for the votes cast.

Conflicts of Interest

In furtherance of TT's goal to vote proxies in the best interests of clients, TT follows procedures designed to identify and address material conflicts that may arise between the interests of TT and its employees and those of its clients before voting proxies on behalf of such clients. Conflicts of interest may arise both at the firm level and as a result of an employee's personal relationships or circumstances.

ERISA Accounts

The following special proxy voting policies and procedures apply to the voting of proxies on behalf of accounts subject to ERISA. Except where expressly noted, the following policies and procedures apply in addition to and not in lieu of the provisions stated in other sections of these Procedures.

Authority to Vote Proxies

Upon receipt of a request for a proxy vote for an account subject to ERISA, TT will ascertain whether it has the duty to vote the proxies or whether this duty has been retained by the trustee or another named fiduciary of the ERISA plan. The determination will be made by reference to the advisory agreement for the ERISA account and plan documents and, where appropriate, after consultation with Compliance. Where general authority to manage ERISA plan assets has been delegated to TT, TT will have the authority and duty to vote the proxies unless the advisory agreement and plan documents expressly preclude TT from voting proxies.

Voting Guidelines

TT must vote proxies for accounts governed by ERISA (i) solely in the interests of the plan participants and beneficiaries, (ii) for the exclusive purpose of providing benefits to participants and beneficiaries, (iii) with the care, skill and diligence that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, and (iv) in accordance with the plan documents to the extent consistent with ERISA. In doing so, TT must consider the factors that may affect the value of the plan's investment and not subordinate the interests of the participants and beneficiaries in their retirement income to unrelated objectives (such as the wishes of the plan sponsor).

Proxy Voting Policies

TT shall ascertain if the ERISA plan has a proxy voting policy or an investment policy which includes a proxy voting policy. TT shall follow the policy unless, in the opinion of Compliance, to do so would be inconsistent with ERISA (if, for example, it would be imprudent or not solely in the interests of the plan participants and beneficiaries in a given instance).

Where TT has proxy voting authority for a pooled investment vehicle which is subject to ERISA, TT may be subject to the proxy voting policies of more than one plan. In such cases, TT will seek to reconcile the policies if possible. If the investment policies conflict, it may be necessary for TT to vote the proxies of the pooled investment vehicle in proportion to each plan's respective investment, unless, in the opinion of Compliance, to do so would be imprudent or conflict with ERISA.

Conflicts of Interest

Where Compliance determines that a material conflict of interest exists regarding proxy votes for ERISA accounts, either as determined by Compliance (i) the proxy shall be voted subordinating the interest of TT to that of the client or (ii) the material conflict shall be disclosed to the named fiduciary of the plan. In the case of a conflict of interest affecting TT as fiduciary of an ERISA account, mere disclosure of the conflict to the ERISA account client and/or consent by the client to the proxy vote proposed by TT will generally be insufficient to resolve the conflict in accordance with ERISA. Consequently, TT, together with the named fiduciary, must determine the procedure for resolution of the conflict of interest consistent with the advisory agreement, the plan documents and ERISA. Depending upon the circumstances, the conflict may be resolved by voting the proxies (i) in accordance with the ERISA plan's pre-determined proxy voting policy, (ii) based upon the recommendations of an independent third party (for example, a proxy voting service) appointed by the named fiduciary, (iii) based upon the recommendations of an independent plan fiduciary, or (iv) based upon the directions of the named fiduciary, accompanied, where necessary, by appropriate amendment(s) of the plan documents and/or the advisory agreement.