

Fulcrum Asset Management LLP

Proxy Voting Policy

July 2022

1. Introduction

Fulcrum Asset Management LLP (“**Fulcrum**” or the “**Firm**”) runs a number of investment strategies where single stock equity investing plays an important role and, as a result, the principle of stewardship, and consequently the voting of proxies, with respect to these investments is well understood and strongly supported.

Fulcrum is registered with the UK Financial Conduct Authority as alternative investment fund manager with additional MiFID top-up permissions to manage separately managed accounts, the US SEC to manage a 1940’s Investment Company as well as a member of the National Futures Association; and, as a commodity pool operator with the Commodity Futures Trading Commission. Accordingly, Rule 206(4)-6 of the US Investment Advisers Act 1940 requires investment advisers that exercise voting authority over client proxies to adopt and disclose policies and procedures which are reasonably designed to ensure that the adviser votes proxies in the best interests of clients.

This policy therefore seeks to set out the Firm’s policy and procedure regarding proxy voting to ensure it is done in a manner consistent with the best interests of the Firm’s clients/funds. It does not seek to address every situation but rather provides an overview of the Firm’s approach in ensuring that good governance structures are in place in investee companies.

This policy is reviewed annually and as necessary to reflect any changes to the Firm’s voting activities.

2. Policy

At Fulcrum, we aim to act in the best interests of all our stakeholders by engaging with the companies that we invest in, and by exercising our voting rights with care in order to manage, acquire and dispose of account assets. Fulcrum will vote proxies in a prudent and diligent manner and in the best interests of clients, consistent with the objective of maximising long-term investment returns and protecting shareholder rights. Not only is this commensurate with good market practice, it goes hand in hand with ensuring the responsible investment of our clients’ funds.

Fulcrum has appointed Glass Lewis, a leading independent corporate governance research provider, to analyse corporate actions, management recommendations and make vote recommendations in order to assist the Firm in the independent assessment of governance issues.

Fulcrum’s management body have established a Responsible Investment Committee and a Stewardship Committee with the aim of strengthening internal communications on stewardship issues. Both committees comprise members of the Risk, Investment Management, Compliance departments and the Firm’s Governance and Sustainability Officer. The common membership of both committees ensures consistency in the Firm’s stewardship and responsible investing approach (which includes giving consideration to Environmental, Social and Governance issues).

3. Proxy Voting Procedure

Fulcrum uses Broadridge’s ProxyEdge platform for proxy voting. All the voting recommendations relevant to the Firm’s clients and funds are provided by Glass Lewis through Broadridge’s platform. It additionally uses Glass Lewis’s climate change overlay solution for proxy voting guidance from a sustainable finance perspective.

Fulcrum will vote with the independent research recommendations unless it chooses to override it based on its own analysis.

Informed by guidance from the UK Pensions and Lifetime Savings Association, we have identified four types of significant votes : firstly, votes relating to climate change or the environment; secondly, shareholder proposals, as these tend to be most likely to include items of interest to shareholders or the general public. Thirdly, votes where we voted against the proxy adviser's recommendation as these could be considered significant given it's a diversion from our usual voting pattern; and finally, meetings related to companies that have a high weighting in the portfolio/firm. Such votes are likely to be the subject of increased focus in our proxy voting process and reporting.

4. Conflicts of Interests

Fulcrum has contracted Glass Lewis to provide the corporate governance voting recommendations relevant to the Firm's investee companies; the Firm will generally follow these recommendations by default.

However, the Firm recognises that, although unlikely, there may be instances where a conflict of interest may present itself with respect to a vote and affect the Firm's ability to act in the best interests of its clients/funds.

Where that is the case, the conflict will be escalated to the Compliance team and where a potential material conflict of interest has been identified in relation to a proxy vote, Fulcrum will call upon an independent third-party to make the voting decision or may elect not to vote. Stocks placed on the restricted list may not be voted.

5. Records of proxy voting

Fulcrum maintains a record of all proxy voting decisions for a period of seven (7) years.