


# Proxy Voting Policy and Procedures

## 1 Policy Statement

Laurium Capital's ("Laurium") policy and procedures for voting proxies ("Policy") apply to securities held in the accounts of clients to whom Laurium provides discretionary investment management services, and for which Laurium has authority to vote proxies. This Policy is reviewed and updated as necessary to address new and evolving proxy voting issues and standards.

Laurium will use its best efforts to vote proxies as part of its authority to manage, acquire and dispose of account assets.

Laurium will vote proxies in a prudent and diligent manner and in the best interests of clients for which Laurium manages assets, consistent with the objective of maximizing long-term investment returns.

In certain instances, (explained below), Laurium will not be able to vote:

- Laurium manages segregated mandate Funds on behalf of clients and such clients have agreements in place with the custodian to lend securities out on loan. The voting rights for shares out on loan are transferred to the borrower and therefore, the lender (i.e., Laurium client) is not entitled to vote on the lent voting rights at the company meeting. Recalling voting rights from the lender for the purpose of voting proxies is considered in the agreements between the custodian and the client.
- Laurium trades in CFD's (Contract for Difference) in the Hedge Funds; therefore, Laurium does not have the right to vote in these circumstances as the underlying security is owned by the financial institution (Bank) who writes the CFD.

The voting circumstances set out below apply where Laurium has authority to vote proxies and the relevant voting rights are available. Materiality and the significance of the issue determine when Laurium will exercise those rights.

Laurium will vote proxies in the following circumstances:

- The size of the shareholding in a security exceeds materiality (as determined by Laurium); or
- If the size of the shareholding in a security is below materiality (as determined by Laurium) but the issue to be voted on is a significant issue.

Materiality and significant issues as determined by Laurium is defined below:

**Materiality**

Laurium will vote proxies on securities provided the shareholding is material to Laurium. Because materiality can be subjective, Laurium Management and those charged with governance have determined the following criteria for materiality:

- All Laurium Funds in aggregate hold more than 1.5% of the issued voting rights of a listed company; and
- An applicable Laurium Fund having a shareholding equal to or in excess of 1.5% of the issued voting rights of a listed company.

**Significant Issues or Issues of Contention**

Laurium will vote on a resolution concerning a significant issue or an area of contention at any shareholders' meeting, including the Annual General Meeting, regardless of whether the shareholding meets the 1.5% materiality provisos stipulated above.

**Environmental, Social and Governance ("ESG")**

Laurium's proxy voting procedures will endeavour to maximize long-term shareholder value within the mandate of the client. This mandate would incorporate non-financial issues, such as the ESG parameters required to be taken into account. Authority and accountability for setting and executing corporate policies, goals and compensation should generally rest with the board of directors and those charged with governance of companies.

In determining the most appropriate action from a governance or ESG perspective, Laurium will also refer to the guidelines of the latest King Code on Corporate Governance for South Africa, currently King V.

## 2 General Proxy Voting Guidelines

To ensure consistency in voting proxies on behalf of clients, Laurium follows this Policy (subject to any exceptions set forth herein). The Policy addresses a broad range of issues and provides general voting parameters on proposals that arise most frequently. However, details of specific proposals vary, and those details affect particular voting decisions, as do factors specific to a given company. Pursuant to the procedures set forth herein, we may vote in a manner that is not in accordance with the general guidelines set forth below. Laurium strives to integrate governance and proxy voting policy with investment goals, using the vote to encourage companies to enhance long-term shareholder value and to provide a high standard of transparency to ensure that equity markets can appropriately value corporate assets.

**Routine Matters**

Laurium supports management proposals, including the following:

- Approval of financial statements and auditor reports if delivered with an unqualified auditor's opinion.
- General updating/corrective amendments to the charter, memorandum of incorporation or bylaws, unless Laurium believes that such amendments would diminish shareholder rights.

### Board of Directors

Laurium generally supports the following with respect to Board of Director related votes:

- **Election of Directors**

  Votes on board nominees can involve ensuring that Laurium balances a variety of considerations. In voting decisions, Laurium considers whether the company has a majority voting policy in place that ultimately makes the director vote more meaningful.

- **Discharge of Directors' Duties as an annual agenda item**
- **Board Independence (in accordance with King Code on Corporate Governance)**
- **Board Diversity**
- **Majority Voting**
- **Separation of Chairman and CEO positions**
- **Proposals to limit Directors Liability**

### Corporate Transactions (Mergers and Acquisitions)

Laurium will evaluate mergers and acquisitions and other special corporate transactions on a case-by-case basis. Laurium will either support or vote against these based on the economic merits of each transaction proposed and on its impact on long-term shareholder value.

### Changes in Capital Structure

Laurium will generally support and vote in favour of changes in capital structure unless there is a compelling reason to vote against a capital structure change. Laurium will review and analyse on a case-by-case basis any non-routine proposals that are likely to affect the structure and operation of the company or have a material economic effect on the company. In general, we will support proposals to increase authorized common stock when it is necessary to implement a stock split, aid in a restructuring or acquisition, or provide a sufficient number of voting rights for an employee savings plan, stock option plan or executive compensation plan. However, a satisfactory explanation of a company's intentions must be disclosed in the proxy statement for proposals requesting an increase of greater than 50% of the voting rights outstanding. We will oppose increases in authorized common stock where there is evidence that the voting rights will be used to implement a poison pill or another form of anti-takeover device.

### Auditors

Laurium generally supports management proposals for the section or ratification of independent auditors. However, Laurium may consider opposing such proposals with reference to approved audit firms in the following instances:

- The company has been the subject of investigation or negative publicity relating to accounting irregularities and Laurium believes the rotation of the audit firm is appropriate, and
- Fees paid to the auditor for non-audit related services are excessive in relation to the external assurance audit fee. Generally, to determine if non-audit fees are excessive, a 50% test will be applied (non-audit fees should be less than 50% of external assurance audit fees).

### Executive and Director Renumeration

Laurium generally supports the following:

- Proposals for employee equity compensation plans,
- Proposals relating to fees to outside directors provided the fees are not excessive in relation to other companies in the country or industry
- Proposals for employee stock purchase plans that permit discounts, but only for grants that are part of a broad-based employee plan, including all non-executive employees, and only if the discounts are limited to a reasonable market standard or less.

- Proposals for the establishment of employee retirement and severance plans provided that our research does not indicate that approval of the plan would be against shareholder interest.

It is Laurium's duty to review proposals relating to executive compensation plans on a case-by-case basis to ensure that the long-term interests of management and shareholders are properly aligned. This will involve analysing the proposed plan to ensure that shareholder equity will not be excessively diluted taking into account voting rights available for issuance.

In general, Laurium will oppose the following:

- Plans that allow stock options to be granted with below market value exercise prices on the date of issuance or that permit re-pricing of underwater stock options without shareholder approval.

**Corporate Governance**

Corporate Governance is at the core of analysing the quality of a company and its management team. Therefore, Laurium recognise the importance of good corporate governance in our proxy voting policies and engagement practices in ensuring that management and the board of directors fulfil their obligations to shareholders.

Laurium support:

- Proposals promoting transparency and accountability within a company.
- The appointment of a majority of independent directors on the Board of Directors and key committees and support separating the positions of chairman and chief executive officer.
- Decisions aimed at improving or increasing the transparency or the views of shareholders in the company or its affairs and in general will be averse to decisions that result in the suppression of shareholder views.

**Shareholder Rights**

Once a company starts making decisions that diminish the rights of shareholders, regardless of its economic strength, there could be potential problems in the future especially with regard to long-term shareholder wealth.

Laurium therefore is of the view that fundamental rights of shareholders be protected and will support proposals that give shareholders the right to provide input into the affairs of the company and oppose any measure pursuant to limiting those rights.

**Anti-takeover Measures, Takeover Defenses and Shareholder Rights**

Laurium will generally oppose:

- Proposals when their purpose or effect is to entrench management or excessively or inappropriately dilute shareholder ownership.
- Laurium would support proposals that would restrict or otherwise eliminate anti-takeover or anti-shareholder measures that have already been adopted by the company.
- Laurium generally support proposals to require shareholder approval or ratification of shareholder rights plans (poison pills).

**Environmental, Social and Governance**

Laurium considers how to vote on the proposals on a case-by-case basis to determine likely impacts on shareholder value. Laurium seeks to balance concerns on reputational and other risks that lie behind a proposal against costs of implementation, while considering appropriate shareholder and management strategic objectives.

| Responsible Person | Date |
|---|---|
| Brian Thomas | 19 February 2025 |
| Catherine Durden | 30 October 2026 |