

Engagement Policy

As fundamental long-term contrarian Value investors, we consider it an important part of company analysis to assess corporate governance, as well as the management of social and environmental issues. This forms part of our risk assessment of business fundamentals. During this risk assessment, we identify the ESG issues most material to the investment case. Once we become shareholders, we seek to engage with the company on these issues. This is done through the discussions we hold with company representatives within the ordinary routine of interaction. However, we may decide to extend our engagement activity and/or escalate specific areas of concern in order to effect the change we are seeking. Such decisions are made on a case-by-case basis, influenced by factors such as the materiality of the issue.

While the focus of our engagement efforts is on the ESG issues which we deem to be most material to the investment thesis, we also believe it is our responsibility to monitor new or existing ESG controversies, and continually assess whether these issues should be escalated to engagement. We employ the services of MSCI to help us monitor such controversies.

The Stewardship Committee monitors the progress of our engagement efforts, providing useful oversight. The Committee will sometimes challenge the materiality rating, or the method and process of engagement to reflect concern about a particular activity or aspect of governance.

The process of escalation in our engagement can include:

- withholding support or voting against management (and informing them)
- meeting/communicating with non-executive directors or the chairman
- collaborative intervention with other institutional investors
- engaging with regulatory or governmental bodies, where deemed appropriate and effective

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