

EDGBASTON INVESTMENT PARTNERS LLP
STEWARDSHIP STATEMENT

The UK Stewardship Code (the “**Stewardship Code**”) was established by the Financial Reporting Council in 2010 and revised in September 2012. It outlines a number of areas of good practice to which institutional investors should aspire with respect to their holdings in UK equity securities. Whilst Edgbaston Investment Partners LLP (“**Edgbaston**”) is not a signatory to the Stewardship Code, the principles, as detailed below, are deemed to be useful guidance with respect to best practice in this area. This document describes how Edgbaston has applied the principles of the Stewardship Code in its role as a discretionary asset manager with respect to Client investments in publicly traded Asia Pacific ex-Japan equity securities. Edgbaston considers it to be of paramount importance to recognise the fiduciary responsibility it assumes as investment manager when acting for Clients. Edgbaston recognises the need to engage with the management and directors of its portfolio companies and exercise its proxy voting rights with a view to enhancing its Client’s long term investment values. These steps are both compatible with good corporate governance and provide the best operating environment for portfolio companies to cope with competitive commercial pressures.

Principle 1 – An investment firm should publicly disclose its policy on how it will discharge its stewardship responsibilities.

Edgbaston seeks to discharge its stewardship responsibilities by ensuring that the boards of portfolio companies possess certain key characteristics and by adhering to its Proxy Voting Policy (attached at Appendix 1) and Environment, Social and Governance Policy (attached at Appendix 2).

Edgbaston actively monitors and, where it is deemed appropriate, engages in dialogue with its portfolio companies. Edgbaston believes that active ownership – in the form of rigorous and long-term oriented analysis of investment prospects and holdings, the proactive exercise of shareholder rights, and constructive engagement with boards and management – can improve discipline, accountability, and long-term returns to shareholders.

The Key Characteristics Edgbaston Looks for in a Portfolio Company Board

- Boards must recognise that they owe a service to their shareholders and, as an objective, must ensure that the company earns an attractive return on the capital contributed by shareholders.
- Boards must exhibit a good understanding of their business risks and opportunities.
- Boards must develop a sound business plan backed by good capital allocation and not a series of high priced acquisitions.
- Boards must maintain the sound capitalisation of their companies. Too much debt is discouraged and any debt should be funded long-term. Boards must avoid diluting shareholder returns by retaining excess capital that cannot be invested at appropriate returns.
- Boards must ensure that their company recruitment and human resources policies are structured to maintain competent management at a reasonable cost to shareholders without high cost imports.

Companies in Edgbaston’s investment programme may not exhibit some or all of these characteristics. Edgbaston will, however, take them into account when voting proxies and engaging with management.

Principle 2 – An investment firm should have a robust policy on managing conflicts of interest in relation to stewardship which should be publicly disclosed.

Edgbaston recognises the importance of identifying potential material conflicts and the need to have adequate systems and controls to avoid or mitigate their impact on Clients. Edgbaston has developed a policy for managing conflicts of interest associated with voting proxies and engaging with investee companies. Edgbaston has outlined additional procedures in its internal compliance procedures.

Principle 3 – An investment firm should monitor its investee companies.

Edgbaston takes an active approach to share ownership rights and responsibilities.

- Edgbaston monitors the companies in which it invests and, where appropriate, will communicate its views to their management and boards. This dialogue allows Edgbaston to monitor the development of companies' businesses, including areas such as overall strategy, business planning and delivery of objectives, capital structure, proposed acquisitions or disposals, corporate responsibility and corporate governance;
- Edgbaston seeks to satisfy itself, to the extent reasonably practicable, that the investee company's board and committee structures are effective, and that independent directors provide adequate oversight. The monitoring of investee company boards, strategy, operational, governance and performance and capital allocation is integral to Edgbaston's investment process;
- Edgbaston monitors the effectiveness of its engagement with the managements and boards of investee companies. Its historic communications, and the success of any such communications, will play a part in its proxy voting decisions;
- Edgbaston votes the vast majority of its Clients' investments by proxy. However, it will, in exceptional circumstances, attend meetings where it has large holdings, where a problematic issue is being discussed and/or if it believes it is reasonably necessary to fulfil its fiduciary responsibilities to its Clients. Edgbaston will introduce AGM and/or EGM motions where it believes it is in the best interest of its Clients to do so;
- In the event that Edgbaston are made "insiders", Edgbaston follows its internal compliance procedures governing market abuse and insider dealing; and,
- In accordance with applicable law and its internal document retention policies, Edgbaston maintains electronic records of material engagements, voting and other corporate governance and corporate responsibility activities, including the rationale for voting decisions.

Principle 4 – An investment firm should establish clear guidelines on when and how it will escalate its stewardship activities.

Edgbaston prefers to have confidential and private discussions with companies as it believes that this enables Edgbaston to build an effective relationship with boards and management. However, where it is necessary to protect its Client investments, Edgbaston will consider engaging in more public communications and/or proxy activities. This may include voting against the management or board of an investee company on a given motion, issuing a press release documenting its opposition to a given issue, recommending to other shareholders that they take a specific action, introducing AGM and/or EGM motions and/or attending meetings in person.

Principle 5 – An investment firm should be willing to act collectively with other investors where appropriate.

Subject to regulatory restrictions, conflicts of interest and acting in concert restrictions, and where it is in the best interests of the Clients to do so, Edgbaston will participate in collaborative engagement activities. These are considered on a case by case basis and addressed in the context of economic environment and other business issues.

Principle 6 – An investment firm should have a clear policy on voting and disclosure of voting activity.

Edgbaston's Proxy Voting Policy is attached to this document at Appendix 1. Edgbaston does not outsource any part of its proxy voting decision-making. This information is also documented in Edgbaston's SEC Form ADV Part 2 and in the Offering Memorandum and Prospectus for its commingled funds. Clients may receive a quarterly summary of proxies voted or not voted and issues raised at meetings held by portfolio companies by contacting Edgbaston's Client Services representatives (clients@edgbastonip.com) and asking to be included on the quarterly proxy voting distribution list. Edgbaston does not provide other third parties with information on how it has voted client proxies.

Principle 7 – An investment firm should report periodically on its stewardship and voting activities.

As noted elsewhere, Clients may receive a quarterly summary of proxies voted or not voted and issues raised at meetings held by portfolio companies by contacting Edgbaston's Client Services representatives and asking to be included on the quarterly proxy voting distribution list. Save as provided by law or regulation, Edgbaston does not provide other third parties with information on how it has voted client proxies. Edgbaston does not subject its proxy voting systems and/or procedures to review by its auditors or any independent third parties. Edgbaston considers this to be unnecessary given the simplicity of its business structure and the sophistication of its institutional client base.

Questions on Edgbaston's Stewardship Statement, Proxy Voting Policy and/or Environmental, Social and Governance Policy should be referred to Edgbaston's Chief Operating Officer, Matthew Myles (at mmyles@edgbastonip.com).

APPENDIX 1

PROXY VOTING POLICY

Edgbaston Investment Partners LLP (“**Edgbaston**”) considers it to be of paramount importance when assessing proxy voting responsibilities on behalf of its privately offered commingled funds (collectively defined as “**Clients**”) to recognise the fiduciary responsibility it assumes in acting as investment manager. Edgbaston also recognises the need to exercise its proxy voting obligations with a view to enhancing long-term investment values. Edgbaston believes that both are generally compatible with good corporate governance as they provide the best operating environment for each underlying portfolio company to cope with competitive commercial pressures. To help achieve its objectives, it is Edgbaston’s policy, subject to the considerations described below, to use its best efforts to vote proxies arising on all shares held on behalf of its Clients.

Standard issues typically arise at Annual General Meetings (“**AGMs**”) or Ordinary General Meetings (“**OGMs**”). Standard issues may include items of a routine nature such as the presentation of financial statements to shareholders, approval of routine executive compensation or incentive plans, approval of financial statements by shareholders, election of directors and approval of director’s fees, election of auditors and approval of audit fees, and declaration of dividends.

In certain markets, permission to waive pre-emptive rights are a standard resolution on AGM agendas. Edgbaston routinely votes against these. The varying levels of protection offered to minority shareholders in different countries often results in a lack of adequate disclosure in terms of parties involved, discounts given and the use of proceeds. Over time, waiving pre-emptive rights also dilutes minority shareholders’ stake in the business.

Material issues may arise at Extraordinary General Meetings (“**EGMs**”), Special General Meetings (“**SGMs**”), OGMs, or AGMs. Material issues may include items that relate to corporate governance matters; changes in a company’s country of incorporation; mergers and other corporate restructurings; anti-takeover provisions such as staggered boards, poison pills, or supermajority provisions; changes to capital structures including increases and decreases of capital and preferred stock issuance; material stock option, management compensation, or incentive plan issues; and social and corporate responsibility considerations. Edgbaston also considers standard issues to be material issues when it has knowledge that a potential conflict of interest with management is present. These situations can arise where Edgbaston manages a portfolio company’s US retirement plan assets, a portfolio company or one of its affiliates is also a brokerage counterparty to a Client’s security or foreign currency transaction, or where the person responsible for overseeing investments at a Client that is invested in one of Edgbaston’s privately offered commingled funds is also a director or officer of a portfolio company that would materially benefit from any executive compensation or incentive scheme subject to shareholder vote. Please note, however, that Edgbaston may not be aware of the roles performed for portfolio companies by underlying investors holding units in Edgbaston’s privately offered commingled funds. Unitholders are requested to notify Edgbaston of any known affiliations with publicly traded companies that could fall within Edgbaston’s investment universe. Unitholders are also requested to notify Edgbaston if they are actively involved in the financial services industry or affiliated or employed by an investment bank, broker/dealer, custodian or asset management firm.

The Northern Trust Company (“**Northern Trust**”) acts as the custodian / depositary of Edgbaston’s privately offered commingled funds and holds all securities owned by these commingled funds for the benefit of the Unitholders. Northern Trust has outsourced certain of its proxy processing responsibilities to Broadridge, a leading provider of proxy voting and corporate governance services. Broadridge principally provides Edgbaston with meeting notification and ballot delivery services, agenda summaries and vote instruction

processing services. All of these services are delivered to Edgbaston via an interface provided by Glass Lewis. In addition to the basic services provided by Broadridge, Glass Lewis provides Edgbaston with more bespoke proxy voting services including detailed agenda content and original source documents, translation services, power of attorney maintenance, recordkeeping, custom reports and background research. Meeting notifications are provided according to an established service level agreement in place between the Northern Trust and Broadridge and one in place between Northern Trust and Edgbaston. Edgbaston does not outsource any part of its proxy voting *decision making* process to Broadridge, Glass Lewis or Northern Trust.

Following receipt of proxy voting materials from Broadridge and Glass Lewis, Edgbaston's administration team prepares a package of material for review by a member of the Edgbaston's Portfolio Implementation Committee ("PIC"). The package of material includes details of the resolutions published by the company, any translations (if the documents have not been published in English), background research prepared by Glass Lewis, and the deadline for the response. One PIC member is able to decide on standard items but material items and votes against management recommendations require two PIC members to approve the course of action. Once the action is approved, Edgbaston's administration team processes and verifies the proxy vote electronically using Glass Lewis's proprietary system.

In certain circumstances, Edgbaston may be unable to vote a specific proxy including (but not limited to) when Northern Trust or Broadridge does not provide a voting service in a given market, because Northern Trust's agent, in error, does not process a proxy or provide sufficient notice of a vote, or because an error is committed by any party involved in the proxy voting or registration process. Edgbaston may also refrain from voting if it is considering liquidating a position (as shares may be blocked when proxies are submitted), where the costs of voting a specific proxy outweigh the economic benefit that Edgbaston believes would be derived by the Client, where a specific class of shares does not carry voting rights with respect to a given issue subject to shareholder vote, or where re-registration of the shares into the Client's (rather than Northern Trust's nominee's) name may (or may reasonably be expected to) result in a violation of local privacy laws or adversely impact the Client's economic interests.

Unitholders are advised that when voting proxies in certain Asian markets, Edgbaston may be constrained by certain country or portfolio company specific issues. For example, some companies in the portfolio impose voting caps on the maximum number of proxy votes that any single outside shareholder may control. Others require all board issues to be resolved by a show of hands, rather than a poll. As all shares may be held by one nominee, these restrictions have the effect of substantially limiting the impact of any proxies cast. Furthermore, some companies in the portfolio may restrict investment managers (such as Edgbaston) from voting proxies where disclosures of holdings or securities under Edgbaston's control have not been made on a timely basis or in a format required under their articles of incorporation.

Additional information on Edgbaston's proxy voting and corporate governance policies can be found in the Stewardship Code Statement on Edgbaston's website (www.edgbastonip.com). Unitholders may receive a quarterly summary of proxies voted or not voted and issues raised at meetings held by portfolio companies by contacting Edgbaston's Client Services representatives (at clients@edgbastonip.com) and asking to be included on the quarterly proxy voting distribution list.

APPENDIX 2

ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICY

Edgbaston has found that the frequency of queries on environmental, social and governance issues has increased as the public has been provided with information on climate change, whether through reports of broken temperature records, extreme weather events, or the disappearing habitat of various animals. In addition, Edgbaston is aware that many investors that are colleges, universities and/or private charities also maintain a list of securities of restricted companies operating in certain industries or economic sectors from which they would like their investment managers to divest. Edgbaston's policy is to respond to any inquiries that we receive on environmental, social or other governance matters. Edgbaston has not, however, agreed to dispose of any existing holdings or refrain from purchasing other securities that may meet its valuation and quality criteria.

Edgbaston's investment decisions are based primarily on business and financial considerations. Edgbaston takes into account political, environmental and social issues if these are likely to have a material impact on a company's present or future financial position or cash flows or conflict with Edgbaston's ability to manage and develop investments. This approach enables Edgbaston to take into consideration appropriate risks, to make a balanced judgement on the investment opportunity and act in the best interest of its Clients. Edgbaston recognises that there are many political, environmental or social issues about which Clients feel strongly, but Edgbaston is obliged to act in the overall interests of all Clients. Clients may not share the same view or may hold opposing views on the same issue.

At Edgbaston, a prime concern is the repeat free cash flows that can come from any portfolio investment. Investments that depend on unsustainable businesses practices are likely to fall outside of our quality criteria. As a result, Edgbaston would see businesses that used enforced labour, child labour, uneconomic wage rates, and/or unsafe or harmful business practices (such as polluting or harming the environment), for example, as not being sustainable in perpetuity, suffering from falling rates of returns, leading to decreased normalised earnings. These types of companies make unlikely investment candidates. Edgbaston views the issue of companies operating in industries or countries that may have poor environmental or social safeguards as being another uncertainty with which our investee companies have to cope with.

As an investment manager, Edgbaston wants to be aware of how and where its investee companies operate. However, Edgbaston recognises that ultimately the decision to operate legally, either directly or indirectly, in an unpopular jurisdiction or industry, to deal with difficult political environments or unfriendly regimes in different regions around the world, the implementation of a business plan, and the reputation risk involved, lies with the management of a company. These are important issues, but important alongside many others – product positioning, financing, sustainability of cash flows, competitive threats, advertising and promotion, human resources, corporate governance and so on. In the end, these are all the responsibility of management, although they remain of keenest interest to Edgbaston as portfolio managers. In summary, the possibility that a portfolio company may legally operate in a given industry, country or region does not cause a change in our investment process.

Edgbaston expects that appropriate legal, governmental and other authorities around the world will take responsibility for addressing political, environmental and social matters fairly and wisely on behalf of their citizens. Accordingly, Edgbaston adheres to the laws of the countries in which it does business and follows rules and regulations applied by official agencies in those countries. Edgbaston also expects that the companies in which it invests will do the same – and Edgbaston pay close regard to their record in this respect.