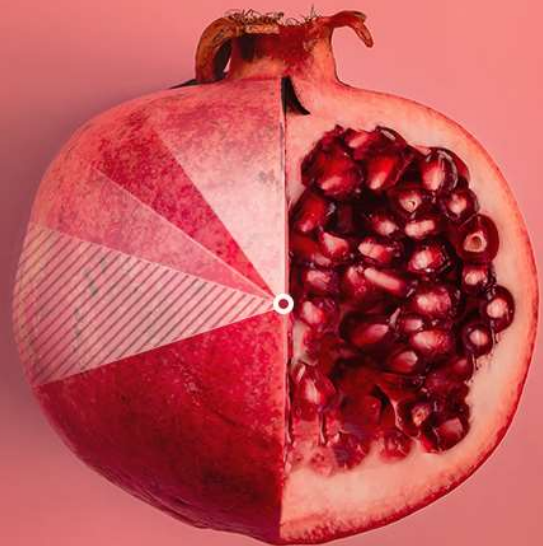


Relentlessly

committed to **protect**
and **grow** your savings

Proxy Voting Policy



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Directors

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Granate Asset Management (Pty) Ltd

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Version control

Version No.	Date tabled at Risk Committee	Purpose of changes*	Details of revisions to document
1.0	Oct 2020	N/A	First draft of document
	13 October 2022		Annual Review

* for example: Annual policy and procedures review, changes in legislation and ad hoc update

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Purpose and context

This policy aims to make sure that the entities we invest in follow principles that are in the best interests of our clients and aligned with how we invest, including on Environmental, Social and Governance (ESG) matters. As a guideline, it highlights the principles we aim to achieve. However, each entity and vote must be considered in context of the circumstances and entity-specific criteria.

Guiding principles

GOVERNANCE

The key principle is that a board of directors are custodians intended to act in the long-term interests of shareholders. A board should have the relevant experience, be independent and be fairly remunerated to align board member interests with those of shareholders. Boards should also be allowed limited authority to act where necessary. However, on material issues, a resolution should be brought to shareholders for consideration.

Directors' election/re-election

Consider experience and relevance; past performance (including board attendance); required board independence; chair independence (or Lead Independent Director); diversity of the board; size of the board; the composition of sub-committees (Audit, Remuneration, Nominations, Corporate Governance, Risk, Social and Ethical, Investment, etc.); term limits and other external board positions held.

Remuneration

We believe in fair remuneration, with short-term and long-term incentives aligned with shareholder interests. Alignment would generally result from targets related to free cash flow generation, per-share value creation, returns on capital, minimum shareholding requirements and a long-term focus. Consider reward targets (levels, terms and over which periods). Other important considerations are clawbacks for malice, excessive dilution that negates value creation, the implications of termination of employment or corporate actions, employment contract notice periods, Remuneration Committee member composition, and clear and transparent reporting of remuneration performance indicator achievements.

Auditors

Consider the appointment/re-appointment, independence, other services provided and the materiality of the fees. Recommended audit firm rotation every ten years and audit partner rotation every five years.

Authority to issue shares

As we have already decided that we back the management team and approve of corporate governance structures, we would generally vote in favour of management's decisions regarding share issuances, as we believe that good capital allocators would use such authority wisely. However, if the analyst has any reservations, these should be discussed by the Investment Committee and could be a trigger to reconsider our exposure.

Corporate actions

To be considered based on the merits of the action to make sure it is in line with the long-term interest of shareholders.

SOCIAL

Consider any social resolutions in context of Granate's ESG principles.

Performance metrics that directors are measured against should ideally include employee and management diversity, responsible procurement policies and fair remuneration across gender and race. Also consider the gap between the highest and lowest-paid employees.

ENVIRONMENT

Consider any environmental resolutions in context of Granate's ESG principles.

Voting process

Analysts are responsible for making sure that Granate votes on the companies they follow according to our Proxy Voting Policy. Voting dates can be sourced from the Maitland calendar, but proxy forms must be sourced from the relevant companies. All proxy votes must be saved in the Proxy Voting Records folder, sorted by company and saved by date. Votes are also recorded in the Proxy Voting Record file in the Proxy Voting Records folder. Votes are submitted to Granate's custodians, with proxyvoting@granate.co.za to be copied in on all related correspondence. If we decide to oppose or abstain from a vote we should consider communicating the reasons for this to the entity's board, where deemed appropriate.