

Shareholder Activism (Proxy Voting and Class Actions)

Policy

Longview has developed adequate and effective strategies for determining when and how any voting rights are to be exercised, to the benefit of its clients. This policy is designed to:

- Describe the approach taken to ensure that the voting rights of our clients are exercised appropriately and responsibly;
- Ensure that Longview votes client securities in the clients' best interests and address the manner in which Longview will resolve material conflicts of interest that can arise during the proxy voting process;
- Disclose to clients how they may obtain information about how Longview voted with respect to their securities.

Longview believes that companies should be managed in the interests of shareholders and that companies with good corporate governance are more likely to deliver sustainable, long-term value. As a steward of client assets, we are committed to seeking high standards of corporate governance from the companies in which we invest and ensuring that our clients' voting rights are used responsibly.

Within Longview's research process, careful consideration is paid to the corporate governance practices of companies we own or are analysing. We have in-depth discussions with each company prior to investment and maintain an ongoing dialogue once invested to evaluate the effectiveness of management with regards to corporate governance issues.

As a Tier 1 signatory, Longview fully supports and is committed to the UK Stewardship Code published by the Financial Reporting Council (FRC). For further information on how governance issues are assessed as part of our research process, please refer to our Responsible Investment Policy and UK Stewardship Code, both of which are disclosed on our website.

Proxy Voting Provider – Glass Lewis

Longview carries out proxy voting for all institutional clients who request that Longview Partners take responsibility for the implementation of their voting rights. In order to effectively meet these requirements, Longview engages Glass Lewis & Co. ("Glass Lewis"). We believe Glass Lewis's expert and independent analysis complements Longview's stock selection process.

All voting decisions are made on a case-by-case basis by Glass Lewis's specialist research analysts, in line with their detailed regional policies, which are approved by Longview on an annual basis. However, Longview would advocate the exercising of votes, contrary to Glass Lewis policy, where necessary.

The decision to vote contrary to Glass Lewis's recommendation is made collectively by the Research team and CIO and will often follow engagement between our Research team and the company. Where Longview becomes aware of a governance issue, or has concerns that the company's management is not acting in shareholders' interests, we are willing to challenge management in an attempt to protect and enhance the interests of our clients and will exercise our right to vote against management where appropriate. Furthermore, if after lengthy discussions we believed that management was failing to act in shareholders' interests, we would reduce our Quality rating to Q3 and sell our holding in order to minimise the loss of shareholder value.

*This policy is directly applicable to Longview Partners LLP. Where Longview Partners (Guernsey) Limited delegates the activity of investment management to Longview Partners LLP, Longview Partners (Guernsey) Limited is responsible for the oversight of this policy.

Any decision to vote contrary to Glass Lewis's recommendation is communicated to Glass Lewis for implementation.

Sources of research and systems used

Glass Lewis uses publicly available sources of information to inform research and intentionally avoids most non-public contact with issuers regarding agenda items.

Glass Lewis does not rely on third-party providers for proxy materials. Instead, they directly source annual and special meeting information from a variety of sources including: stock exchanges or regulators; the companies via direct mailings and company websites; custodians and transfer agents; and other forms of direct procurement. They have an experienced team working in their "materials procurement" area that has successfully sourced tens of thousands of annual reports and proxy materials in more than 85 countries around the globe. They have developed a system that automatically audits this information against comprehensive meeting and agenda feeds from custodians' proxy distribution services, to ensure timely and accurate proxy information procurement.

Voting at all meetings and handling impediments

Glass Lewis votes all meetings as requested by their clients. However, in markets where impediments such as share-blocking, Powers of Attorney or re-registration exist, Glass Lewis recommends to their active manager clients that they "Take No Action".

Ensuring receipt of and voting proxies and accurate policy implementation

The Glass Lewis ViewPoint voting system employs a rigorous ballot reconciliation process to ensure that all ballots which a client is entitled to vote are indeed voted. Reconciliation is a rigorous audit process performed on a daily basis. This process compares a comprehensive list of meeting notices and agendas for shareholder meetings against the holdings data delivered to Glass Lewis by the client, custodian or client representative. This reconciliation process enables Glass Lewis to determine if ballots are missing.

For policy implementation, Glass Lewis performs a regular audit post-proxy season to determine whether any irregularities arose in applying vote recommendations. In addition, on an annual basis Longview's Operations team conducts a review of votes cast to ensure that their rationale adheres to Glass Lewis's policy.

Reporting & oversight

Longview's Operations team receives a quarterly report for each participating client account from Glass Lewis detailing all items on the agenda and votes cast for each company where there was a meeting that quarter. Reports can be accessed on a more regular basis if required. The Operations team ensures that Glass Lewis votes all proxies according to any specific client instructions and Longview's general guidance, and retains all required documentation associated with proxy voting.

Additionally, the Operations team have regular service level calls with Glass Lewis and conduct due diligence on an annual basis to ensure Glass Lewis's policy and procedures are up to date and functioning as expected.

In its assessment of the services provided by Glass Lewis, the Operations team will consider the following points:

- the adequacy and quality of Glass Lewis's staffing and personnel
- whether Glass Lewis continues to have robust policies and procedures (1) so that its proxy voting recommendations are based on current and accurate information, and (2) Glass Lewis identifies and addresses conflicts of interest relating to its voting recommendations.
- Glass Lewis's ability to fulfil its mandate and the likelihood of changes in its business and conflicts policies arising over time; and

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- a sample of proxy votes to ensure compliance with this policy, including within that sample proxy votes relating to certain proposals that may require more analysis.

Class Actions

Longview maintains a policy of not participating in class actions, unless specifically instructed to do so by a client. However, we do reserve the right to participate in specific cases.

Conflicts of Interest

Longview Partners seeks to always act in the best interests of our clients and where possible avoid conflicts, including those which may arise through voting or engagement. Occasions may arise where a conflict or perceived conflict of interest exists. In such instances, all reasonable steps are taken to ensure that we put the interests of our clients first, as outlined in our Conflicts of Interest Policy.

If Longview manages assets for a company pension plan or related entity, Longview will respect client restrictions but beyond that will vote proxies in that company in the best interest of our clients and consistent with our voting policy and Glass Lewis's recommendations.

Disclosures to Clients and Investors

Proxy voting reports are provided on a quarterly basis to all clients on whose behalf we vote. These reports detail all votes cast during the period and also highlights any differences between Glass Lewis's and the company management's recommendations.

Longview includes a description of its policies and procedures regarding Shareholder Activism in Part 2 of Form ADV along with a statement that clients and investors can contact Longview Client Services to obtain a copy of these policies and procedures and information about how Longview voted with respect to the client's securities.

Any request for information regarding proxy voting or class actions should be promptly forwarded to Longview Client Services (clientservices@longview-partners.com), who will respond to any such requests.

Record Keeping

Paragraph (c)(ii) of Rule 204-2 made under the Investment Advisers Act of 1940 requires Longview to maintain certain books and records associated with its proxy voting policies and procedures. Compliance will ensure that Longview complies with all applicable recordkeeping requirements associated with proxy voting.

Other considerations

Any attempt to influence the proxy voting process by issuers or others not identified in these policies and procedures should be promptly reported to Compliance. Similarly, any client's attempt to influence proxy voting with respect to other clients' securities should be promptly reported to Compliance.

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