

## Sparinvest Voting Policy

Our guiding principle is to serve the long-term interests of the investors in the optimal manner. Sparinvest receives external advice from the proxy advisory company Institutional Shareholder Services (ISS), but voting decisions are made on a case-by-case basis at the discretion of Sparinvest's investment team, and will not necessarily follow ISS advice. In this regard, we are keen to have a constructive dialogue with the companies in which we invest.

Sparinvest subscribes to the below list of general principles. However, we consider all situations on a case-by-case basis, and voting decisions may deviate from the below principles where dictated by the best interests of our investors. Furthermore, there may be situations where certain principles appear contradictory to other principles; in such cases, as always, Sparinvest expects management to work in the best interests of long-term shareholders.

- One-share, one-vote
- The rights of minority shareholders should be well protected.
- Shareholders should be provided with reasonable opportunities to propose shareholder resolutions
- Decisions on capital employment and the distribution of capital should be taken in the best interests of long-term shareholders.
- 'Poison pills' and other defense measures should generally be avoided.
- Companies should generally aim to be transparent.
- Accounts should be audited by independent external auditing firms, whose other relationships with the company cannot be considered to impair that independence.
- A transparent remuneration policy should align the interests of management with those of long-term shareholders.
- The board, and committees on remuneration, nomination and auditing, should predominantly consist of independent members.
- Subject to the above principles, companies should aim to comply with local corporate governance standards, or explain non-compliance.

Please note that when Sparinvest decides to vote against board or management recommendations, we will attempt to discuss such decisions with the company – if time permits, before the vote is exercised.