



Operations Policy

Proxy Voting Policy

Version	1.2
Owner	Operations
Effective Date	Nov 2016
Approved by	Fund Board

1 Purpose

Subject to specific mandate restrictions, Ashmore Investment Saudi Arabia "AISA" is generally responsible for voting proxies and taking decision in connection with corporate actions (referred to herein as "proxies" or a "proxy") with respect to equities, bonds, loans or other debt instruments (referred to herein as "securities") held by or held on behalf of the clients for which it serves as investment manager / advisor ("clients").

The purpose of this document is to provide appropriate information on AISA's proxy voting policy.

2 Scope

AISA will, at its discretion, apply its proxy voting policy for all Clients, which may include Mutual Funds, vehicles established by AISA ("AISA Funds"), and DPMs if the client requested.

AISA will apply its proxy voting policy in a manner that takes account of the difference circumstances associated with its investment management duties and responsibilities or with any investment objectives, guidelines or restrictions applicable to a particular Client.

The following forms or proxy votes are typical (but not exhaustive) of those AISA is presented with:

- Debt Accelerations, exchanges and restructurings, corporate reorganisations, restructurings, events of default, bankruptcy proceedings and buy-backs
- Equities Election of directors, ratification or auditors, management and director compensation, changes to capital structures, takeovers, mergers and corporate restructurings, social, environmental and corporate policy issues

3 Legal and regulatory requirements

This policy addresses our strategy and approach in relation to:

- The applicable regulatory requirements to exercise the rights in respect of the fund assets and act in accordance with the best interests of the unitholders of the relevant fund.

4 Responsibilities

In circumstances where AISA has been advised or a requirement for a proxy vote relating to a Security held by or on behalf of a Client, the following responsibilities apply:

- The Operations department will notify the Portfolio Manager that has primary responsibility for the Security in question, and who will instruct the operations how to respond. In the absence of the primary Portfolio Manager, it will be referred to the secondary Portfolio Manager.
- The Portfolio Manager will determine whether or not to raise a proposal with AISA's Investment Committee for discussion and recommendation. This may be the regular weekly Investment Committee meeting or, in relevant circumstances (e.g. a short deadline for response), a quorum of the Investment Committee who are in the office at the relevant time. Matters referred to the Investment Committee will also be noted in the Investment Committee's minutes.
- The Portfolio Manager will determine whether or not a matter related to a required proxy vote requires review and input from AISA's Legal, Operations and / or Compliance departments.
- The Portfolio Manager will determine whether or not to discuss a corporate action with other market participants, issuers and agents, but AISA will not disclose how it intends to vote on any particular proxy proposal without the advance approval of AISA's Compliance department. This

does not restrict communications in the ordinary course of business with custodians or other agents of AISA's Clients.

- The Portfolio Manager will maintain full records documenting the exercise of voting rights (including the reasons for exercising or not exercising voting rights in a particular way).

5 Policy

Where AISA is given responsibility for proxy voting, it will take reasonable steps under the circumstances to ensure that proxies are voted in the best interests of its Clients. Protecting the financial interests of its Clients is the primary consideration for AISA in determining how to protect such interests. This generally means proxy voting with a view to enhancing the value of the securities held by or on behalf of AISA's Clients, through maximising the value of securities, taken whether individually or as a whole.

When considering how to vote a proxy, AISA will consider those factors that relate to a Client's interests, primarily economic, which may result in it voting for a proposal, against a proposal, abstaining from voting or submitting pricing tenders or other commercial undertakings in respect of a proposal.

AISA may also refrain from voting in routine proxy voting issues such as ratification of auditors, particularly if the AISA Clients' aggregate holdings in a particular company are not deemed material in the context of such a vote. For this purpose, "routine" proposals could typically include matters such as an uncontested election of directors, meeting formalities or the approval of an annual report of financial statement.

AISA's standard form investment management agreement will provide that AISA is generally responsible for proxy voting unless the Client has specifically directed AISA to the contrary in writing.

6 Conflicts of Interest

From time to time, proxy voting proposals may raise conflicts between the interests of AISA (including its employees, and / or its affiliates) and its Clients.

AISA's Compliance Department will take certain steps to determine whether such conflict is material and, if so, AISA will either vote in favour of the Client or manage the conflict in accordance with AISA's conflicts of interest policy, which may include disclosure of such conflict to the Client for its prior approval as to AISA's proposed vote. If the Client does not respond to such a request or declines the request, AISA shall abstain from voting the relevant securities.

If AISA is prohibited from disclosing such conflict to a Client (for example, due to confidentiality restrictions) AISA shall determine whether to vote in the Client's interest or abstain from voting.

Routine proxy proposals shall be presumed not to involve a material conflict of interest for AISA, unless AISA's Compliance Department has actual knowledge that a routine proposal should be treated differently.

7 Specific Client Instructions

Where, under any circumstances, a Client provides AISA with specific voting instructions, AISA will vote in accordance with those specific instructions, and will not vote in accordance with this policy.

Where a Client's instruction does not relate to all matters to be voted upon, AISA will continue to apply its proxy voting policy to those matters not covered by such specific instructions.

Clients should be aware that providing specific instructions to AISA in relation to a particular matter may prevent AISA from taking the steps set out in its proxy voting policy to obtain the best possible result in respect of the matters covered by those instructions.

AISA will accept no responsibility in connection with proxy voting matters that it has received no notice of, or has not received timely or accurate notice of from a custodian or relevant service provider responsible for the holding of its Securities.

8 Monitoring and Review

AISA will monitor the effectiveness of its proxy voting policy on a regular basis, and, where appropriate, correct any deficiencies.

Any change to this proxy voting policy must be approved by AISA's Risk and Compliance Committee and also by the Mutual funds board.