

# Investment Governance Policy (I-CODE)

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## Document Control

Version	Document Owner	Date	Change Reference
1.0	Investment Team	09/08/2018	

## Approval

Version	Approved by	Date	Next Review
1.0			

CONFIDENTIAL

PUBLIC

SECRET

INTERNAL

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## 1. MAMT I-CODE

**Principle 1:** Institutional investors should publicly disclose their policy on how they will discharge their stewardship responsibilities.

In determining appropriate investment opportunities, the primary philosophy of equity investment teams is fundamentally driven, bottom-up active management. At Manulife AM, a fundamental investment process goes beyond financial statement analysis. This includes, but is not limited to, meeting company management, voting proxies in the best interest of its clients as shareholders, and generally engaging the company, when necessary, to enhance the long-term value of its client's investments.

As part of our Environmental, Social and Governance ("ESG") policies, this document describes our philosophy on stewardship in relation to Thai SEC's I-CODE, Manulife AM's ESG policies and the UK Stewardship Code.

We consider our stewardship responsibilities in respect of the Thai SEC I Code, Manulife ESG and UK Stewardship Code to be a global endeavor applied broadly across our equity investment processes when relevant and appropriate.

**Principle 2:** Institutional investors should have a robust policy on managing conflicts of interest in relation to stewardship and this policy should be publicly disclosed.

Portfolio managers are required to comply with Manulife AM's written policies regarding potential conflicts of interest that may arise between the interests of its clients and the interest of Manulife AM, its affiliates, and/or employees. Pursuant to this policy, Manulife AM deems the following events as potential material conflicts of interest:

1. Manulife AM has a business relationship or potential relationship with the issuer of a security;
2. Manulife AM has a business relationship with the proponent of a proxy proposal; or
3. Manulife AM members, employees, or consultants have a personal or other business relationship with the participants in a proxy contest, such as corporate directors or director candidates.

Manulife AM's goal in addressing any such potential conflict is to ensure proxy votes are cast in the clients' best interests and are not affected by Manulife AM's potential conflict. As described

in our global Proxy Voting Policy, in the event of a material conflict of interest, Manulife AM or its designee will either (i) vote such proxy according to the specific recommendation of the designated proxy voting service; (ii) abstain; or (iii) request that the client vote such proxy.

**Principle 3:** Institutional investors should monitor their investee companies.

As fundamental, long-term investors, Manulife AM recognizes that monitoring investee companies is at the heart of its investment management philosophy and process. Because ESG factors contribute to the risk of an investment, Manulife AM's investment teams evaluate ESG factors as part of their investment decision-making process. The exact integration of ESG factors into the investment process varies depending on the investment team. Investment teams, including research analysts and portfolio managers, conduct bottom-up, fundamental research that includes company-specific, sector, and industry analysis to identify investment opportunities. Once a position is established in a company, ongoing monitoring and analysis is conducted to ensure that the original investment thesis holds true. This analysis includes, but is not limited to, financial models, valuation analysis, and meetings with company management.

**Principle 4:** Institutional investors should establish clear guidelines on when and how they will escalate their stewardship activities.

Investment teams often meet company management as part of their fundamental research process. The meetings provide analysts and portfolio managers with insights into management quality, business drivers, and the strategies of the companies in which they invest. In addition, these meetings allow investment teams to assess companies' risk exposure to ESG factors and the companies' management of that exposure to protect shareholder value. Where appropriate, the specialist ESG analyst also participates in meetings with companies alongside the analysts and portfolio managers from the team.

Manulife AM also views engagement as a tool to enhance the long-term shareholder value of the companies in which its clients are invested. When appropriate, investment teams will engage investee companies to express views with senior management and board members. Methods employed may include proxy voting, direct communication with investee company management, and, if necessary, escalating concerns to the investee company's board of

directors. Finally, investment teams may choose to sell a security if that action is deemed to be in the best interest of the client.

**Principle 5:** Institutional investors should be willing to act collectively with other investors where appropriate.

Manulife AM is willing to act collectively with other investors when it is determined that action is necessary in order to protect the interests of the client's investment, but only insofar as those actions are not prohibited by law or regulation.

**Principle 6:** Institutional investors should have a clear policy on voting and disclosure of voting activity.

Manulife AM has adopted a global Proxy Voting Policy. The policy and related procedures seek to ensure that proxies are voted in the best interests of its clients and that proxy voting activities adhere to the requirements of all applicable rules and general fiduciary principles. The Proxy Voting Policy is not intended to cover every possible situation that may arise in the course of business, but rather to act as a decision-making guide. It is therefore subject to change and interpretation from time to time as facts and circumstances dictate.

When Manulife AM is granted and accepts responsibility for voting proxies for client accounts, it will seek to ensure proxies are received and voted in the best interest of the individual client with a view toward enhancing the value of the equity securities held in the client's account. Manulife AM has contracted with an independent third party service provider who provides analysis and recommendations for all proxy votes.

For companies in which Manulife AM has a material holding (above 3% of issued share capital), typically the voting is overseen by the investment teams who own the security in question, who will vote in line with the corporate governance principles set out in our ESG Policy and in accordance with the firm's Proxy Voting Policy. Where Manulife AM is overseeing a comparatively small holding, normally proxy votes will be cast in line with the third-party service provider's recommendation. However, Thailand operating subsidiary does not use the service of an independent third party with all proxy voting done internally within Manulife AM.

Manulife AM may refrain from voting a proxy due to logistical considerations that may have a detrimental effect on its ability to vote such a proxy. Examples could include, where underlying securities have been lent out pursuant to a client's securities lending program, in cases where there is insufficient information to make a voting decision, or where market practices make it expensive to vote compared with the benefits of doing so. Additional disclosures will be provided for certain proxy-related affairs in line with the requirements of the I-CODE.

Manulife AM seeks to ensure that proxy votes are cast in each client's best interests and, if there is any potential conflict of interest, its procedures provide for such a proxy to be voted primarily in accordance with the third party service-provider's recommendations, or to abstain or to request the client vote the proxy.

Manulife AM's Proxy Operations Group is responsible for administering and implementing the Proxy Voting Policy, including the proper oversight of its service provider and any other service providers who assist in the proxy voting process. Proxy Operations is responsible for implementing and updating the applicable domestic and global proxy voting guidelines, coordinating and overseeing the proxy voting process as performed by its service providers, and providing periodic reports to Manulife AM's Brokerage Practices Committee, Operating Committee, the Chief Compliance Officer, and its advisory clients as deemed appropriate.

Voting activities are considered confidential and are reported to clients as requested, or as required by law.

**Principle 7:** Institutional investors should report periodically on their stewardship and voting activities.

Manulife AM intends to review its stewardship and voting activities annually, as suggested by the code, and will update its statement of commitment accordingly if there are any material changes to the Proxy Voting Policy or any other relevant process. Voting activities are considered confidential and are reported to clients as requested, or as required by law.