



Egan-Jones Proxy Services Policies and Procedures for Managing and Disclosing Conflicts of Interest

Egan-Jones Proxy Services (“EJPS”) has adopted these policies and procedures (the “Policy”) to identify and address any material conflicts of interest arising from interests, transactions or relationships which EJPS may have. The Policy is designed to identify and provide for prominent disclosure of any information regarding an interest, transaction or relationship of EJPS (or any of its affiliates) that is material to assessing the objectivity of EJPS’ proxy voting advice in light of the circumstances of the particular interest, transaction or relationship.

EJPS strives to avoid conflicts of interest whenever and wherever possible, acknowledging that it is not feasible to prevent all conflicts and that the avoidance of some conflicts may lead to the creation of others. EJPS attempts to mitigate any conflicts of interest which can not be eliminated.

In order to identify conflicts of interest and ensure the objectivity of its proxy research and vote recommendations, EJPS has established a Conflicts Committee consisting of the Director of Proxy Services, General Counsel and Designated Compliance Officer. The committee meets periodically to evaluate, review and consider interests, transactions and relationships which may result in an actual or potential conflict of interest and to consider the effectiveness of the mitigation of any such conflicts of interest. The committee is also responsible for ensuring prominent disclosure is made of relevant information relating to any conflict of interest.

EJPS has identified the following principal conflicts of interest.

Conflicts Related to Interactions with Companies

To minimize conflicts of interest with companies which may be the subject of proxy voting advice or research, EJPS does not offer or provide corporate governance consulting, analytical tools or other similar advisory services to public companies or related parties. EJPS believes it can best offer objective advice to its clients if such conflicts of interest are not present.

EJPS may from time to time offer public companies the ability to review draft reports prior to publication to confirm factual information and, upon request and subject to certain conditions, may provide public companies with a copy of proxy voting advice on or after the time when such advice is disseminated to EJPS’ clients. Providing a copy of such reports to companies allows the companies an opportunity to correct factual mistakes which may inadvertently be included in such report. Such opportunity also permits the company the ability to request a change to a voting recommendation, which creates the potential for a conflict of interest should the company be perceived as influencing EJPS’ recommendations. To mitigate this potential conflict, EJPS requires that any response from a company be in writing and provide verifiable evidence of any

error. EJPS will review any such submission and retains sole and absolute discretion to accept or reject any proposed change suggested by a company. EJPS' Director Proxy Services must approve any change to a voting recommendation made in response to company feedback.

In addition, personnel from EJPS from time to time meet with senior officers of a public company which may be the subject of proxy voting advice or research. EJPS personnel may initiate such outreach in connection with revisions to, or developments of, voting guidelines, in relation to comments which may be received from such companies or otherwise. To ensure that such officers do not unduly influence EJPS' voting recommendations, EJPS will not meet with company officials or representatives during any proxy solicitation period.

Conflicts Related to Other Firm Activities

EJPS is the trade name for the proxy services provided by Egan-Jones Ratings Company ("EJR"). EJPS is not a separate legal entity from EJR. EJR is and has been privately-owned by one or more individuals since its founding in 1995. Because EJR is not owned by a public company or an institutional investor such as a private equity firm, EJR is not subject to potential conflicts of interest which could arise in such circumstances. EJR is registered with the Securities and Exchange Commission as a nationally recognized statistical rating organization ("NRSRO") and is in the business of providing credit ratings and reports on issuers of debt obligations.

EJR is paid for its credit ratings and reports by issuer clients which may be public companies and from institutional investors which may be affiliated with public companies (collectively, "EJR Clients"). A conflict of interest exists if EJR is paid to provide credit ratings by an EJR Client and such EJR Client is the subject of proxy voting advice or research provided by EJPS or if such EJR Client is also a client of EJPS.

In order to mitigate such conflicts of interest, EJR maintains a strict separation between EJPS personnel and personnel involved in the credit ratings process. EJPS personnel are not permitted to be involved in discussions relating to or any other aspect of the credit rating business, including the determination of any credit rating level, and vice versa. EJPS personnel and EJR ratings personnel are prohibited from engaging in internal communication about the identity of clients or any work performed for, or fees received from, such clients. Such separation is monitored and periodically reviewed by EJR's compliance department.

Conflicts Related to Firm Revenues

A conflict of interest may arise based on the sources of revenue received by EJPS. For instance, certain companies about which EJPS produces proxy advisory reports are clients of EJPS, which introduces a possibility that EJPS' voting recommendations would be influenced by the client company's preferences. In addition, two or more separate institutional investor clients may have different investment objectives or philosophies or may have conflicting views on a pending vote. In order to mitigate such conflicts, EJPS maintains a diversified client base with different client types, such that no one client accounts for a material portion of firm revenue, minimizing the ability of any single client to have an outsized influence on proxy voting advice or research produced by EJPS. EJPS considers any client representing 10% or more of the firm's revenue to be material and provides disclosure in related reports or website links in the case of any such client.

Conflicts Related to EJPS Personnel

Conflicts may exist based on activities of EJPS personnel. For instance, if an EJPS employee is

engaged in business activities with an EJPS client or a firm which is the subject of EJPS' proxy voting advice or research, a conflict will exist with respect to such employee. Also, if an EJPS employee has a financial interest related to any EJPS client or a firm which is the subject of EJPS' proxy voting advice or reports, a conflict will exist with respect to such employee.

EJPS generally prohibits employees from engaging in outside business arrangements with third parties and requires that any such activities, including any board memberships, be periodically disclosed to the firm. Any exceptions must be approved. In addition, EJPS generally prohibits employees from owning or trading in equity or debt securities of any company and requires that any ownership be disclosed and approved. Any employees granted an exception are prohibited from participating in the proxy voting advice or research related to the subject company. In such manner, EJPS attempts to eliminate any such conflicts of interest.

All EJPS personnel are required to adhere to, and annually attest to, EJPS' policies and procedures relating to outside business activities, personal securities trading and conflicts of interest, as well as the firm's Code of Ethics, which sets forth various workplace standards expected of employees. In addition, EJPS personnel participate in periodic training with respect to such policies and procedures.

Conflicts Related to Firm Board Members

EJR's board of directors includes two or more independent directors which directors may hold current positions with one or more firms which may be an EJPS client or a firm which may be the subject of EJPS' proxy voting advice or research reports. Such positions create a conflict because EJPS may be incentivized to align its proxy voting advice or research with the positions of such firms. EJPS considers any such conflict of interest to be material and will provide prominent disclosure of such fact in any related reports. In addition, one or more EJR board members may be an employee of an insurance company, investment management firm or similar financial institution, which firm or funds or entities advised by such firm, may hold an ownership interest in a public company which is the subject of EJPS' proxy voting advice or research reports. However, EJR's independent board members do not have any involvement in the proxy voting advice or research provided by EJPS in relation to any company, nor do they have access to any proxy voting advice or research prior to publication.

Conflicts Related to Firm Cost Considerations

A conflict can arise for a proxy advisor because it will be in the firm's interest to avoid or reduce costs. The least costly and most expedient course for any proxy advisor to take is to agree with company management as often as possible. By agreeing with management, a proxy advisor can avoid the costs and time of thoroughly researching the issue and handling possible complaints by a company that the recommendation was wrongly reached. EJPS ensures that all proxy voting advice and research is independently evaluated and determined and is reviewed by a senior analyst prior to publication. EJPS periodically audits its reports to ensure adherence to published guidelines.

This Policy is designed to set forth general conflicts of interest applicable to EJPS' business and set forth the manner in which such conflicts are avoided or mitigated. EJPS is committed to continually evaluating the nature of interests, transactions and relationships which may impact the firm so that any conflicts of interest may timely be addressed. EJPS believes that as a result the firm is subject to fewer and less significant conflicts of interest than many firms in its peer group of US-based proxy advisory firms.

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