CATALYST FUND MANAGERS

CATALYST FUND MANAGERS SA

PROXY VOTING POLICY 2026

THE IMPORTANCE OF CORPORATE GOVERNANCE TO INVESTORS

Corporate Governance is the system of internal controls and procedures by which Companies are managed. It provides a framework that defines the rights, roles and responsibilities of different groups within the company - management, Board members and all shareholders.

In general, good corporate governance practices seek to ensure that Board members act in the best interest of shareholders. How well a company achieves its goals depends largely on the adequacy of the company's corporate governance structures and the strength of the shareholder's voice in corporate governance matters, through shareholder's voting rights. Shareholders must be active and prudent in the use of their rights. In this way, shareholders must act like owners and continue to exercise rights available to them.

Catalyst Fund Managers (CFM) promotes sound governance and sustainable corporate practices, fostering the creation of long-term shareholder value. Proxy voting forms an integral aspect of CFM's Responsible Ownership strategy, supported by established procedures and guidelines to guarantee that proxy votes align with the best interests of our clients.

PROXY VOTING INSTRUCTIONS

The directors of Catalyst Fund Managers have approved a list of signatory arrangements for various day to day activities to ensure that only staff and directors with the appropriate qualifications, experience and knowledge are authorised to act on behalf of the company and in the best interest of shareholders.

The following signatory arrangements have been approved:

- A signatory can sign alone
- B signatory must be accompanied by an A signatory

#	Person	Level	Designation	Qualifications
1	Mvula Seroto	A signatory	Investment Manager	B.Com (Hons), CA (SA), CFA
2	Imdaad Nana	A signatory	Investment Manager	B.Bus.Sc
3	Bontle Seema	B signatory	Investment Analyst	B.Com (Hons)

GUIDELINES FOR VOTING

Approval of Annual Financial Statements

Approval of financial statements is usually interpreted to mean that the shareholders have read and considered the financial statements as the Companies act requires the company directors to approve the financial statements.

A negative vote on a resolution is a symbolic vote which is aimed at sending a strong message to a company noting significant omissions from the financial statements that have been presented to shareholders or that have been compiled in a non-appropriate manner.

The following situation might give reason for a negative vote

a. Any audit qualification
b. Material non-disclosure in prior financial periods without corrective measures being implemented
c. Insufficient financial and/or non-financial disclosure deemed material
    a. See disclosure guidelines of EPRA NAREIT Best Practices Policy Recommendations (section 5)

Board and Directors

The board is the focal point of the corporate governance system. It is ultimately accountable and responsible for the performance and affairs of the company

1) Board composition
    a. The capacity of the board should be categorised as follows:
        i. ***Executive director*** is an individual who is a full-time employee and involved in the day to day management of the company (and its subsidiaries) and is a full-time salary employee
        ii. ***Non-Executive*** is involved in day to day running of the company but is not a full-time salaried employee of the company. Non-executive directors should be individuals of calibre and credibility with the necessary skill and experience
        iii. ***Independent director*** is a non-Executive director who
            1. Is not a representative of a shareowner who can significantly control and influence management.
            2. Has not previously been employed by the company (or group) in an executive capacity for the preceding 3 years
            3. Is not a member of the immediate family who has been employed by the company (or group) in an executive capacity in the past three years
            4. Is not a professional advisor to the company (or group)
            5. Is not a significant supplier (including banks) to the company (or group)
            6. Does not have a significant contractual relationship with the company or group
            7. Is not involved in any business or relationship that can be seen to have a material influence with the individual's capacity to act independently
            8. Has no relationship with the Manco

b. Balance of executive and non-executive directors -we recommend that majority of non-executive directors be independent from management so that shareholder interest can be protected
   i. More than 50% of the board should be non-executive and more than 50% independent
   ii. The board should endeavour to have a sufficiently diversified board in terms of transformation objectives as well as female representation iii. Appropriate balance of power and authority so that no individual or block of individuals can dominate board's decision making

c. Appointments should be made by a nomination committee

d. Board continuity is imperative (staggered rotation of directors)
   i. We encourage Board refreshment; we support a NED tenure of 9 years – 3 terms of 3 years each however we would allow a further 3 years if it is used to facilitate succession and is communicated appropriately

e. Directors are obliged to disclose full fees received from the company
   i. Directors' fees should be in line with industry standard and should be defined by role

f. Directors' attendance registers should be checked
   i. We will vote against the re-election of directors who have poor attendance records.

g. Excessive board representations are discouraged and a director should serve on no more than 5 significant boards (excluding subsidiary companies)

2) Board Meetings
   a. Board should at least meet quarterly
   b. Disclose in AFS the number of meetings held and an attendance register
      i. Reasons for non-attendance should be provided if possible

3) Board Committee
   a. At a minimum each board should have an audit, risk and remuneration committee

4) Board and Director Evaluation
   a. Regular review of the required mix of skills and experience for directors

5) Dealing and Securities
   a. Practice of prohibiting dealing in "close" periods

6) Company Secretary
   a. The company secretary through the board has a pivotal role to play in the corporate governance of a company

Remuneration

1. Levels of remuneration should be sufficient to attract, retain and motivate executives
   a. There must be an appropriate balance between the targeted mix of guaranteed pay, short and long-term incentives
   b. Limitations on the size of the overall incentives (5% shares in issue, 0.5% per person)
      We discourage the use of awards purely for retention without any other significant hurdles
   c. Performance hurdles should be used in short and long-term incentive schemes
      i. The performance hurdles should be challenging while being attainable to allow for sufficient motivation to employees
      ii. Performance hurdles should be clearly defined, the measurement thereof and what was historically achieved disclosed in the AFS
      iii. We encourage the use of performance hurdles that include like for like net property income, NAV, distributable income growth relative to inflation and an appropriate peer group.
      iv. We believe that share ownership by executive management and staff provides alignment with shareholder interests
   d. General staff Incentive Schemes
      i. Share options as a long-term incentive scheme to staff can be considered, but should be reviewed on a case by case basis and the following requirements should be fulfilled:
      ii. Full scheme details should be disclosed and transparent
      iii. Performance Related (for the staff as well as overall performance of the company)
      iv. The cost of the scheme should be considered
      v. Maximum levels of awards should be determined
   e. Companies should appoint a remuneration committee
      i. All members of the Remuneration committee should be NEDs with majority being independent. The Chairman of the subcommittee should also be independent.
      ii. Membership of remuneration committee should be disclosed in AFS with the attendance during the year
   f. Full disclosure of executive and directors' remuneration on an individual basis and the components thereof in the AFS
   g. Share options may not be granted to non-executive directors - we encourage fixed remuneration to maintain director independence
   h. Fixed term for service contracts for directors should not be longer than 3 years

Issuing shares

Directors have to seek permission from shareholders to issue shares and renew this permission at the general meeting of the company (Companies Act 1973).

1) Issuance of shares for cash and disapplying pre-emption rights:
   a. This would be considered on a case by case basis taking into account the current rating of the company and its historical track record of capital allocation
   b. Consider voting in favour of proposals by the company to limit control over unissued shares to 10% of the issued share capital and/or issue up to 5% of those shares for cash, if the directors have a strong track record of enhancing shareholder value and the rating justifies an equity raise
      i. The price at which shares are issued should be a fairly determined with a maximum discount of 5% to VWAP
   c. Should a company have a weak capital allocation track record and/or poor rating we would require a separate resolution at the time of any share issue detailing the reasoning behind the issue and appropriate motivation for the issuance, rather than providing directors with a general authority to issue shares

Dividend reinvestment plan

This would be considered on a case by case basis taking into account the current rating of the company and liquidity of the company. This authority affords all existing shareholders the opportunity to elect, at their discretion, a cash or scrip dividend.

Buyback of shares

Directors may request from time to time authority to repurchase the companies' shares subject to meeting liquidity and solvency conditions.

Share buybacks are an essential capital allocation consideration for the board and management if the circumstances warrant its implementation. We would limit the authority to 20% of shares in issue and maximum price would be 5% premium to VWAP.

Accounting and Audit

The audit committee should draw up a recommendation to the board for consideration and acceptance by the shareholders for the appointment of external auditors.

The Audit committee should consist of only independent directors and the Chairman of the board should not serve on the Audit committee.

We require the auditors to be from a reputable, capable, and competent company and preferably a well-known audit firm. If we do not know the firm, we would have to establish who they are in a form of a due diligence. The designated auditor should be rotated every 5 years and due consideration should be given to audit firm rotation after 10 financial years in accordance with best practice.

Communication

It is the board's duty to present a balanced and understandable assessment of the company's position in reporting to stakeholders. The quality of the information must be based on a principle of openness and substance over form. Reporting should address material matters and of significant interest and concern to all stakeholders. Companies should make every effort to ensure that information is distributed via a broad range of communication channels.

Internal Audit

Companies should have an effective internal audit function which assures that effective internal control, processes and systems are in place. If the board decides not to establish an internal audit function, full reasons must be disclosed in the company's annual report. The Board must have an audit committee responsible for oversight of internal controls and risk management, amongst other committee competences.

Risk Management

The board is responsible for the total process of risk management as well as for forming its own opinion on the effectiveness of the process. Management is accountable to the board for designing, implementing and monitoring the process of risk management and integrating it into the day-to-day activities of the company.

The board must decide the company's appetite or tolerance for risk and those risks it will take and those it will not take in the pursuit of its goals and objectives. The company should have designated NED's responsible for assessing the risk faced by company. This oversight function can be performed through a separate risk sub-committee or combined with audit to form a Risk and Audit subcommittee.

Integrated Sustainability Reporting

Companies should report annually on the nature and extent of its social, transformation, ethical, safety, health and environmental management policies and practices where applicable. Sustainability reporting must meet the particular needs of material stakeholders and further, provide a holistic view of all elements of the value creation process.

Code of Ethics

Companies should engage its stakeholders in determining the company's standards of ethical behaviour. The company's ethics performance should be assessed, monitored, reported and disclosed.

Relations with Shareholders

Companies should be ready where practicable, to enter into dialogue with institutional investors based on constructive engagement and the mutual understanding of the objectives of the company. Engagements will be initiated through the Board Chairperson, Chairperson of the relevant sub-committee and/or executive management. Engagements will be conducted on a confidential basis. We will advise clients and will publicise an engagement issue should that further the interest of clients and be requested.

Special Resolutions

Approval of Special Resolutions requires input by shareholders, including debenture holders. Special Resolutions are considered on case by case basis, provided adequate information and motivation is supplied.

CATALYST FUND MANAGERS

CLIMATE CHANGE POLICY

OUR CLIMATE STRATEGY

The management of climate-related risks, opportunities, and impacts is embedded throughout our investment approach. Our climate strategy encompasses the following key elements:

1. **Integration in Investment Processes:** We systematically integrate financially material ESG issues, including climate change, into our investment approach. Our research team conducts country and company research, which is utilized across our investment strategies. We evaluate business models, corporate climate change strategies, and products and services, with a focus on property sub-sectors where climate change is most relevant.
2. **Active Ownership on Climate Change:** We engage with companies on their environmental, social, and governance practices, utilizing our voting rights to support shareholder proposals addressing climate change risks and impacts. Our climate engagement primarily targets industries with higher emissions.
3. **Industry Collaboration:** Achieving a net-zero economy requires concerted efforts across various sectors. Catalyst will work closely with asset owners, peers, standard setters, policy makers, and academics to create market standards and policies that facilitate climate-resilient investments.
4. **Climate-Related Exclusions:** While exclusions are considered a measure of last resort, Catalyst may apply them for specific purposes.

Catalyst will maintain transparency and accountability by reporting our actions on an annual basis. The ultimate measure of our efforts will be reflected in our investments, where allocations to companies with strong track records of responsible climate management will prevail.

CONCLUSION:

Catalyst Fund Managers is steadfast in its dedication to being a leader in climate-resilient investments. We recognise that our specialised focus on listed real estate assets places us at the intersection of climate change and the built environment. Our commitment to the principles outlined in this policy reflects our belief in the necessity of responsible and sustainable investment practices.