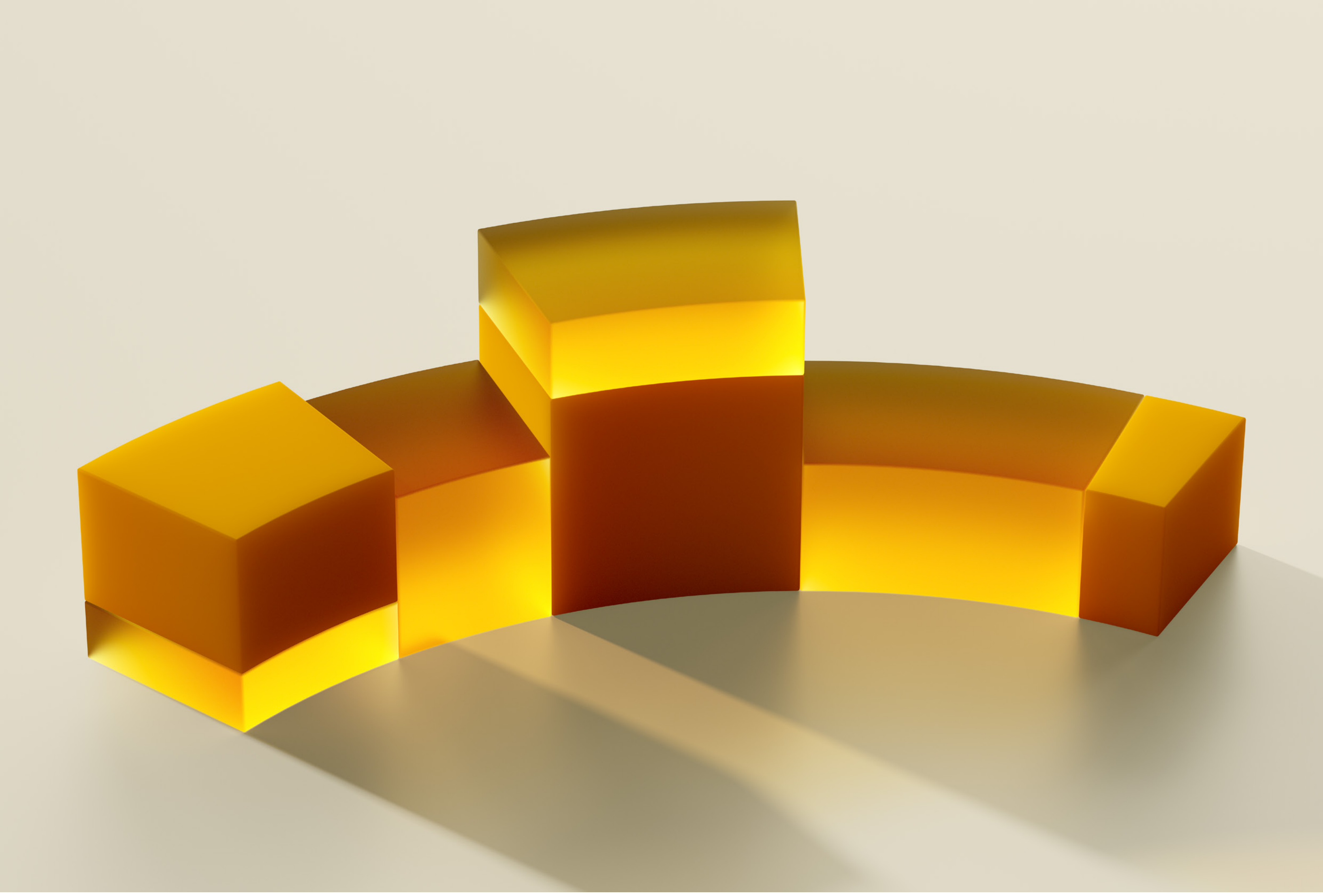

J.P. Morgan Asset Management

External Policy on Engagement and Proxy Voting

June 2022

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J.P.Morgan
ASSET MANAGEMENT

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Introduction

As defined by the Financial Reporting Council ("FRC"), stewardship is the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries, leading to sustainable benefits for the economy, the environment and society. The key tenants of this definition of stewardship align to the spirit and purpose of our approach, which is grounded in acting in the best long-term interests of our clients through an expectation of high standards for corporate responsibility in the companies in which we invest.

J.P. Morgan Asset Management adopted this stewardship policy, including the internal policy of the same name, to set forth its philosophy, principles and priorities for responsible stewardship, corporate engagement and voting of proxies in the best interests of our clients. Engagement is primarily led with listed companies, but we may also work with our peers, clients and other stakeholders to engage. This policy outlines minimum standards with regards to how J.P. Morgan Asset Management:

1) integrates engagement in its overall investment strategy;
2) monitors investee companies on relevant matters, including strategy, financial and non-financial performance and risk, capital structure, social and environmental impact, and corporate governance;
3) conducts dialogues with investee companies;
4) exercises voting rights;
5) cooperates with other shareholders and with relevant stakeholders of the investee companies; and
6) manages actual and potential conflicts of interest in relation to engagement.

Overview

As a fiduciary of our clients' assets, J.P. Morgan Asset Management has created an investment stewardship approach that aims to create long-term value through engagement with a focus on responsible allocation of capital. At the heart of our approach lies a close collaboration between our portfolio managers, research analysts and investment stewardship specialists, who are in contact with the companies in which we invest. We call this approach "investment-led stewardship." J.P. Morgan Asset Management's long-term stewardship priorities are those that we consider most material to investors. See section on "Monitoring and Engagement With Investee Companies" for further detail of our stewardship priorities.

Direct engagement with investee companies and shareholder voting are all carried out at a local level, with guidance from our investment stewardship specialists. These specialists are based regionally, located in New York, London, Hong Kong and Tokyo. We use our investment-led, expert-driven investment stewardship framework to establish market- and sector-specific engagement frameworks. As we cannot engage with all our investee companies, investment stewardship specialists and investment teams target selected companies for engagement to discuss relevant and financially-material environmental, social and governance (ESG) issues, and encourage companies to adopt robust ESG practices with a goal of driving better investment returns. Insights gained from our engagements are incorporated into our investment process, with the goal of helping enhance risk-adjusted returns over time.

At J.P. Morgan Asset Management, we are committed to enhancing the disclosure of our stewardship practices. For more information on J.P. Morgan Asset Management's approach to investment stewardship and case studies relating to our engagement and voting activity, please visit the J.P. Morgan Asset Management website.

ESG integration

J.P. Morgan Asset Management defines ESG integration as the systematic inclusion of ESG issues in investment analysis and investment decisions. In actively managed assets deemed by J.P. Morgan Asset Management to be ESG integrated under our governance process, we systematically assess financially material ESG factors in our investment decisions with the goals of reducing risk and improving long-term returns. ESG integration by itself does not change a strategy's investment objective, exclude specific types of companies or constrain a strategy's investable universe.

Our Alternatives, Global Equities, Global Fixed Income Currency and Commodities, Global Liquidity, and Global Asset Management Solutions investment groups have adopted formalized processes for their actively managed strategies that are deemed to be ESG integrated under our governance process.

Combining our ESG research capability with the experience and skill of our investment teams and the expertise of our investment stewardship specialists gives us a deeper understanding of the risks and potential opportunities facing different sectors, industries and geographies. Our approach provides for broad flexibility as data, regulations and outlooks change, while focusing on the best prospects for long-term financial returns.

For more information on J.P. Morgan Asset Management's approach to ESG integration across various asset classes, please visit the J.P. Morgan Asset Management website.

Monitoring and engagement with investee companies

Our policy on corporate engagement and proxy voting is to promote an ongoing dialogue where we engage with the management of investee companies. Under this policy, J.P. Morgan Asset Management portfolio managers and investment analysts communicate with selected companies on improving practices that J.P. Morgan Asset Management deems to have a financially material impact on the company's profitability over the long term. Where the issues identified relate to long-term sustainability, our investment stewardship team works with investors to conduct additional engagement.

J.P. Morgan Asset Management's engagement with companies is designed to promote a better understanding of the issues investee companies face and encourage these companies to adopt robust operational and strategic practices, with the goal of improving risk-adjusted financial returns. As long-term investors, many of J.P. Morgan Asset Management's engagements with companies may cover months or, in some cases, several years.

J.P. Morgan Asset Management has identified five main investment stewardship priorities it believes have universal applicability and will stand the test of time: governance; strategy alignment with the long term; human capital management; stakeholder engagement; and climate risk. Within each priority area, we have identified a series of related sub-themes that we are seeking to address over a shorter timeframe (18-24 months). These themes will evolve over time, as we engage with investee companies to understand issues and promote best practice. This combination of long-term priorities and evolving, shorter-term themes provides us with a structured and targeted framework with which to guide our investors and Investment Stewardship team globally, as we engage with investee companies around the world.

We consider these to be relevant across different asset classes, portfolios, geographies and stakeholders. Nonetheless, there are some differences that we need to incorporate to reflect the differences between asset classes. By examining the ESG profiles of companies, J.P. Morgan Asset Management seeks to establish relevant risks, and the materiality of those risks, around a specific sector and location in order to help identify outliers based on our five priorities. For more information on our stewardship priorities, please see the J.P. Morgan Asset Management.

We have developed an Engagement Program to provide a framework for the types of engagement activities undertaken. This Engagement Program includes three pillars: (i) **Focus List** companies where we have meaningful exposure and our research has identified financially materially ESG issues; (ii) **Thematic Projects** where we run targeted engagements aligned with specific themes with our stewardship priorities; and (iii) **Reactive Engagements** where we may engage if ESG issues arise as a result of controversies or matters arising from proxy voting processes.

Aside from formal engagement, our investment team members may routinely meet with board directors, senior management and operational experts from investee companies to discuss a range of issues including financially material ESG factors. In these routine meetings, we may highlight areas of good practice that we expect them to aspire to, and monitor the progress being made over time, including around the transparency of sustainability practices.

For more information on our engagement approach with investee companies please see the J.P. Morgan Asset Management website.

Communication with other stakeholders

While most of our engagement is conducted alone, we believe that collaborating with other investors and stakeholders that share common values with us may help reinforce our engagement efforts. While taking into account applicable rules and regulations, such as antitrust and competition laws, we recognize and embrace the concept that collaboration is necessary to meet certain industry-wide goals as the size and scope of the goals make them difficult to meet without collaboration.

J.P. Morgan Asset Management may collaborate with other investors in collective engagement exercises with companies where appropriate. We are selective when deciding which collaborative initiatives we will participate in or support, focusing on topics and groups where we believe our collective approach will enhance the effectiveness of engagement.

For more detail on our engagement approach and activities, and our current industry group memberships related to stewardship, please see the J.P. Morgan Asset Management website.

Proxy voting

At J.P. Morgan Asset Management, we manage the voting rights of the shares entrusted to us in the same way as we would manage any other asset. Our proxy voting policies and procedures are designed to vote in the best long-term interests of our clients. J.P. Morgan Asset Management has comprehensive proxy voting policies and guidelines in each region, covering North America; Europe, the Middle East, Africa, Central America and South America; Asia ex-Japan; and Japan. These guidelines can be found on the Sustainable Investing section of our website and include good practice recommendations from the International Corporate Governance Network and the Organisation for Economic Co-operation and Development, among others, where applicable.

Overall responsibility for the formulation of proxy voting policies and guidelines rests with the regional Proxy Committees, whose role is to review J.P. Morgan Asset Management's proxy voting policies and guidelines in respect to investee companies and to provide an escalation point for voting and corporate governance issues. The committees are composed of senior research analysts, portfolio managers, the Global Head of Stewardship (who sits on each regional Committee) and members of the Investment Stewardship team, as well as compliance and risk specialists. The committees escalate to the Sustainable Investing Oversight Committee (SIOC). See the section on "Governance" for more information on SIOC.

We derive information for the voting process from a variety of sources. These include publicly available material provided by a company during, or resulting from, discussion with the company itself, third-party proxy voting advisory services, and internal and external research. Where third-party proxy voting advisors help to analyze proposals, these are analyzed in conjunction with the J.P. Morgan Asset Management custom proxy voting guidelines and other relevant material to reach an independent decision. Data from proxy advisors serves as one of many inputs into our research process.

For further information on how we use, assess and monitor service providers, and to see our voting record for all meetings in which we voted, globally, in the preceding quarter, please see the J.P. Morgan Asset Management website.

Governance

In 2021, J.P. Morgan Asset Management established the SIOC to enhance the governance of its sustainable investing activities, including stewardship oversight. SIOC provides ongoing strategic oversight, effective decision-making and review, and assurance across the key components of sustainable investing. SIOC's role includes, among other responsibilities across our platform, oversight of engagement and proxy voting.

For more information on SIOC, please see the J.P. Morgan Asset Management website.

Regulatory context

This policy seeks to disclose J.P. Morgan Asset Management's approach for engaging with investee companies and voting proxies in the best interest of our clients. This approach provides for broad flexibility within a changing market and regulatory landscape, while also aiming to comply with specific regulatory requirements in the jurisdictions in which we operate.

In Europe, under the requirements of the European Union (EU) Directive 2017/828 and its implementing measures (collectively, the "EU Shareholder Rights Directive II", or "SRD II"), J.P. Morgan Asset Management provides a statement of adherence. Various aspects of SRD II apply to the management companies, Alternative Investment Fund Managers, and investment firms within J.P. Morgan Asset Management in Europe that manage portfolios and fall under the definition of Asset Manager in SRD II (hereafter referred to as "J.P. Morgan Asset Management" or "we").

The disclosures provided relate to the implementation of this policy, reported on an annual basis, including a general description of voting behavior, an explanation of the most significant votes and the use of the services of proxy advisors. J.P. Morgan Asset Management also provides additional disclosures regarding how its investment strategy complies with the arrangements in place for particular clients, and how it contributes to the medium to long-term performance of the assets of that client. For more information on our SRDII statement of adherence, please see the J.P. Morgan Asset Management website.

Conflicts of interest

J.P. Morgan Asset Management has policies and procedures in place to address material conflicts of interest. In order to maintain the integrity and independence of J.P. Morgan Asset Management's investment processes and decisions, including proxy voting decisions, and to protect J.P. Morgan Asset Management decisions from influences that could lead to a vote other than in its clients' best interests, JPMorgan Chase & Co. (including J.P. Morgan Asset Management) has adopted several policies, including: the Conflicts of Interest Policy – Firmwide; the Information Safeguarding and Barriers Policy – Firmwide; and the Information Safeguarding and Barriers Policy – Material Non-Public Information Firmwide Supplement.

J.P. Morgan Asset Management also has a standalone Conflict of Interest Disclosure for Corporate Governance policy, which can be found on the Sustainable Investing section of our website and is referenced below. Material conflicts of interest are further avoided by voting in accordance with J.P. Morgan Asset Management's predetermined guidelines. For more information on our conflicts of interest guidelines, please see the J.P. Morgan Asset Management website.

Some of these potential conflicts are connected to J.P. Morgan Asset Management's stewardship responsibilities, including corporate engagement, given that JPMorgan Chase & Co. (and, where applicable, its workforce members) may have multiple advisory, transactional, financial and other interests in investments that may be purchased, sold or held by J.P. Morgan Asset Management on behalf of its clients; hence these activities could in theory influence J.P. Morgan Asset Management's decisions regarding investing, trading, proxy voting and other interactions with investee companies. Potential conflicts could also arise where the investee company, or a related party, such as its pension scheme, is itself a client of J.P. Morgan Asset Management.

For the firm, including J.P. Morgan Asset Management, the management of conflicts includes policies, standards, and procedures; training; management and oversight; and other controls.

In particular, in order to maintain the integrity and independence of J.P. Morgan Asset Management's investment processes and decisions, including proxy voting decisions, and to protect J.P. Morgan Asset Management's decisions from influences that could lead to a decision other than in its clients' best interests, the firm (including J.P. Morgan Asset Management) adopted the Information Safeguarding and Barriers Policy, and established formal informational barriers designed to restrict the flow of information from the firm's securities, lending, investment banking and other divisions to J.P. Morgan Asset Management investment professionals. The information barriers include, where appropriate: computer firewalls; the establishment of separate legal entities; and the physical separation of employees from separate lines of business (for example, investment banking employees are separated from J.P. Morgan Asset Management employees). Such or similar information barriers also exist between different businesses within J.P. Morgan Asset Management, as appropriate.

Moreover, J.P. Morgan Asset Management's Global Proxy Voting Guidelines address material conflicts of interest that may arise between J.P. Morgan Asset Management's interests and those of its clients. To address such potential conflicts, J.P. Morgan Asset Management relies on certain policies and procedures and guidelines. Material conflicts of interest are further avoided by voting in accordance with J.P. Morgan Asset Management's predetermined guidelines. Should an override to the guidelines occur, a potential material conflict that may exist is analyzed and documented in accordance with J.P. Morgan Asset Management's Proxy Guidelines.

For further details of J.P. Morgan Asset Management's potential conflicts of interests connected with stewardship activities and actions taken to mitigate potential conflicts, please see the J.P. Morgan Asset Management website.

For more information, please contact your
J.P. Morgan Asset Management representative.

J.P. Morgan Asset Management is the brand name for the asset management business of JPMorgan Chase & Co. and its affiliates worldwide. To the extent permitted by applicable law, we may record telephone calls and monitor electronic communications to comply with our legal and regulatory obligations and internal policies. Personal data will be collected, stored and processed by J.P. Morgan Asset Management in accordance with our EMEA Privacy Policy www.jpmorgan.com/emea-privacy-policy. This communication is issued in Europe (excluding UK) by JPMorgan Asset Management (Europe) S.à r.l., 6 route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg, R.C.S. Luxembourg B27900, corporate capital EUR 10.000.000. This communication is issued in the UK by JPMorgan Asset Management (UK) Limited, which is authorised and regulated by the Financial Conduct Authority. Registered in England No. 01161446. Registered address: 25 Bank Street, Canary Wharf, London E14 5JP.

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