



DENALI

DENALI PRESTIGE ASSET MANAGEMENT

**Shareholder Meeting Proxy Voting Guidelines
for Funds Under the Management of
Denali Prestige Asset Management Company Limited**

Proxy Voting Policies and Guidelines

1. Voting Policies

Proxy Voting exercising in the shareholders' meeting of the company in which the Private Funds invested in is mainly the rights for Private Fund Clients. The Clients will consider and make a decision whether they will attend to the shareholders' meeting and to exercise the voting right or not. Denali Prestige Asset Management Company Limited (Denali) completely respects such rights. Denali is responsible for informing to the clients about such right without delay in order to provide customers the time to consider about the Proxy Voting properly.

In case that the clients wish to assign Denali to exercise Proxy Voting in the shareholders' meeting on behalf of clients, Denali shall exercise the voting right in each agendas on behalf of the clients (Fiduciary Duty) which each vote aims to protect the benefits of unitholders and in comply with the guidelines Denali set forth in this policy.

2. Limitation

This Proxy voting Policies are the frameworks to exercise proxy voting. With specific factors, Proxy Voting may be affected in the same agenda of the shareholders' meeting and in the different companies. Some exceptions may be adopted in the case that this Proxy Voting Policies may not be applied.

3. Proxy Voting Document Delivery

Denali shall send the all Proxy Vote documents (Annual General Meeting of Shareholder Invitation Letter and Letter of Authorization) within 3 business days after the received date.

4. Duties and Responsibilities

Denali Prestige Investment Committee (DPIC) shall delegate fund managers to attend and exercise the voting right on behalf of funds under management in the shareholder's meeting to vote. However, in case there is any necessary incident that prevents fund managers from exercising the right by themselves, the fund managers shall nominate other person, who possess knowledge and/or understanding of the issues the voting is being solicited including official of investment department or related to or official of compliance unit or official of risk management department or any person appointed by DPIC or the Independent Director of listed companies, to vote for the funds as stipulated by the Investment Committee.

4.1 Fund managers are responsible for analysis and decision-making on proxy voting/ significant issues affecting the fund that occurred regularly and exercise the voting based on the following guidelines:

- “FOR”
- Fund Manager should vote FOR the issue that, upon consideration, benefit or in the interests of unitholder or the fund.

- “AGAINST” - Fund Manager should vote AGAINST the significant issue considered not a benefit to or not in the interests of unitholder or the fund.
- “ABSTAIN” - Fund Manager should vote ABSTAIN the issue on which no adequate information has been obtained.

The details of voting procedures are as follows:

- Nominated fund manager or representative shall consider and make a decision the voting right in the shareholder’s meeting/ invested business under the voting policies determined by DPIC and in comply with policies of fund investing in.
 - In case the voting right does not comply with the determined or not having defined voting policies or the agenda of shareholders’ meeting which significantly affects the fund’s interest or shareholder’s value such as the company’s financial position, performance or dividend payment, nominated fund manager or representative must present advantages as well as disadvantages of each voting to DPIC to consider.
 - In case there is any conflict of interest. For example, the Company acts as Issuer and shareholder in the same period and asking for vote “FOR” which may cause the conflict of interest issue. In this issue, fund manager or representative must provide and present advantages as well as disadvantages of each voting to DPIC to consider.
 - In the case where outsiders are nominated to attend the shareholders’ meeting and vote on behalf of the funds, DPIC shall specify that if there is any agenda item put to the vote but the company does not provide sufficient information for shareholders before the meeting, the outsiders shall vote “ABSTAIN” from voting on such agenda item.
- 4.2 In making voting decision, the following aspects are the minimum consideration.
- Cost and benefit trade off that would incur to the fund
 - Ultimate benefit for the fund in the event of voting on issues vested with conflict of interest in the case that fund invests in both equities and fixed-income instruments issued by the same company.
 - Any additional actions require to vote different from proposal made by management of the company that issue stock.
- 4.3 In case there is the voting on the conflict of interest issue, only nominated fund manager must attend to the shareholders’ meeting and make a decision on proxy voting independently with the consideration on the ultimate benefits of each fund.

- 4.4 The issues decided on a case-by-case basis is the case that DPIC or Fund Manager concern (i) about the inadequate information to make a decision or (ii) about unusual issue or (iii) about disunion which may happen. The voting shall be in accordance with the resolution of DPIC.
- 4.5 Fund Manager is able to exercise proxy voting independently under the Proxy Voting Guidelines for voting as on behalf of Mutual Funds for the issue relating to the conflict of Interest between the Management Company and related person.
5. Voting Guidelines for decision on significant agendas and practices at shareholders' meeting, including:
- 5.1 Adoption / Certification of financial statements, operating results and dividend payment.
Denali will vote "AGAINST" in the following situations:
- The auditor gives qualified opinion on the issue that is of material impact on the financial statements.
 - The dividend payment, without reasonable grounds, fails to correspond with that company's dividend payment policy.
- 5.2 Acquisition or disposal of core assets, purchase or sale or lease of business, merger or acquisition of business, engagement of management party, and business takeovers.
Denali will vote "AGAINST":
- In case of failure to disclose details pertaining to the acquisition or disposal of core assets, purchase or sale or lease of business, merger or acquisition of business, engagement of management party and business takeovers, such as details on objectives, rationale, pricing, etc.
- 5.3 Appointment of Directors
Denali will vote "AGAINST" under the following circumstances:
- In case the positions of the Chairman and the CEO are aggregated and assumed by the same person, unless there might be adverse impact on the operations and management of such company if both positions are segregated.
 - The appointment of independent directors fails to comply with the SEC criteria, e.g. such to-be-appointed director being related to the consultant company serving the company or the top executives, or being related to major customers, or having any other relationship that is apparent to the extent that may cause such independent director to lack independence, etc.
 - The appointment of the director who, under clear evidence, has intently committed offence, or concealment of financial/accounting information.

5.4 Change of Capital Structure

Denali will vote “AGAINST”:

- In case there is share buy-back until that the free float is lower than 20%.

5.5 Appointment and removal of auditor

Denali will vote “AGAINST” in the following situations:

- There is apparent information exhibiting the auditor’s relationship besides being the auditor, such as being accounting consultant or internal auditor of the listed company, or being the person with whom the listed company’s executive has close relationship.
- In case of the existing auditor, who has monopolized being the auditor for the listed company for over five years, except in case that such existing auditor is the Office of the Auditor General of Thailand or any other agency of the same nature. However, if the existing auditor is to be reappointed, there should be an interval of two fiscal years before the reappointment.

5.6 Payment of special remuneration to directors

Denali will vote “AGAINST” in the following situations:

- Benefits will go to a minority group of people or any particular group without reasonable grounds presented.
- There is lack of disclosure of the amount of the special remuneration to be paid.

5.7 Transaction that may cause conflict of interest between the listed company and the shareholder and person related thereto or connected transaction

Denali will vote “AGAINST”:

- In case of the transaction that will be of personal benefit to a related party or that will cause damage to the listed company.

5.8 Change of type of business or objectives of the company

Denali will vote “AGAINST” if:

- There is no disclosure of the purpose of the change of the type of business or the business objectives of the listed company.

5.9 Amendment to the memorandum and/or articles of association

Denali will vote “AGAINST” if:

- There is no disclosure of the objective of the amendment.
- There is no prior disclosure of the content to be amended or purposed to be amended.

5.10 Limitation of liability of directors and increase of indemnification for damage

Denali will vote “AGAINST” if:

- The listed company proposes the reduction or limitation of liability of directors, or proposes that the directors shall not bear any liability if any damage arises from such directors’ performance of duties.

5.11 Employee Stock Option Plan (ESOP)

Denali will vote “AGAINST” under the following circumstances:

- The offering of securities to directors and/or employees is considered improperly excessive and not a benefit to the fund as a shareholder.
- The ESOP scheme fails to disclose about the dilution effect.
- There is a condition set forth for the change in the exercise price or extension of the maturity of the ESOP after the issuance of options, if considered not a benefit to or in the interests of the fund, except in case of being a result of a normal course of change after some proceeding, such as after the capital increase, etc.

5.12 Other agendas

Denali will either vote “AGAINST” or “ABSTAIN” if:

- The matter in agendas is not informed in advance.

6. Monitoring Procedures of Voting Right Exercise include

6.1 Reporting and Recording of Voting Right Exercise

Nominated representative attending the shareholders’ meeting and exercising the voting shall provide the report of Proxy Voting. The report details include:

- 1) Types of Voting (“FOR”/ “AGAINST”/ “ABSTAIN”) with the explanation for such actions relating to the Proxy Voting
- 2) Number of shares which Denali votes in each agenda and
- 3) Resolution of Agendas

6.2 For the documentation storage, the Investment Department is responsible for storage all records and documents in relation to voting as well as other related documents for investigation which documentation details are as follows:

- 1) Annual General Meeting of Shareholder Invitation Letter or Extraordinary General Meeting of Shareholder Invitation Letter
- 2) Minute of Board of Directors Meeting
- 3) A Copy of Letter of Authorization
- 4) Report of resolutions of the shareholders’ meeting
- 5) Monitoring Report of Proxy Voting
- 6) Annual Resolutions Report

6.3 Documentation and Record Retention – Denali shall retain all records and documents relating to the voting at least 5 years after the voting date.

Processes of Voting Right Exercise Monitoring

The Compliance Unit and Risk Management Department shall monitor the exercise of the voting right and report such monitoring and disclose guidelines of Proxy Voting at least one time per year in accordance with the regulation of the Office of Securities and Exchange Committee together with providing the monitoring report to Board of Directors or Committee authorized by Board of Directors to consider the monitoring results.

7. Disclosure of Proxy Voting Guidelines and Voting Right Exercises to clients

7.1 Disclosure of Proxy Voting Guidelines

Investment Department shall provide the guidelines of Proxy Voting approved by Board of Directors to Information Technology Department to disclose such guidelines on Denali's Office Website.

7.2 Disclosure of Voting Right Exercises to Client

Investment Department shall provide summary report of voting right exercises and send to Customer Service Department in order to deliver to clients of Denali in comply with the period specified in Private Fund Agreement. The disclosure details are as follows:

- 1) A summary of voting right exercises specifying the name of the company, number of shares, the numbers of votes and a description of vote "FOR", vote "AGAINST" and vote "ABSTAIN".
- 2) Details about exercising the voting right on significant agendas such as the conflict of interest between the Management Company and Issuer Company or the difference opinions between the Management Company and the Management of Issuer Company. Such details shall be specified the name of the company, types of voting with the description and number of votes in each agendas.