



## PROXY VOTING POLICY & GUIDELINES

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### Proxy Voting Policy

Adasina's clients seek both financial and social returns on their investments. They trust us to manage their investments in alignment with their objectives and values and to always act in their best interest. As a fiduciary to impact-driven investors, this responsibility includes being active, responsive, and diligent stewards of our clients' investments.

We actively engage in proxy voting as a component of our investment stewardship activities. We use proxy voting as a strategic tool to direct corporations to adopt policies that promote sound corporate governance, overall corporate sustainability, and social justice. Adasina believes that corporations can and should meet a high standard of corporate ethics and operate in the best interests of all stakeholders (i.e., shareholders, employees, customers, communities, and the environment). By doing so, we believe they can improve performance and contribute to positive outcomes for people and the planet.

Clients may request access to records of our proxy voting decisions at any time. These records include detailed information on how we voted in relation to issues concerning environmental sustainability, social justice, and corporate governance. Adasina retains all proxy voting records for a minimum period of five years, in a secure, accessible manner. We may retain records for a longer duration if required by applicable law or regulation. This policy will be reviewed at least annually and updated as needed to reflect changes in our investment philosophy, Social Justice Investment Criteria, or regulatory requirements.

If Adasina identifies a conflict of interest regarding a security, it will accept a recommendation from a third-party proxy voting data provider. To the extent a recommendation for that proxy vote is not available, Adasina will abstain from voting.

### Proxy Voting Guidelines

At Adasina, we recognize the importance of both flexibility and clarity in our proxy voting practices. To achieve this, we employ a hybrid approach that integrates both principles-based and rules-based strategies. The principles-based component ensures that all voting decisions align with our core values and ethical standards, promoting integrity and coherence in our practices. We also maintain the flexibility to address unique or evolving issues that may not be covered by existing rules. This adaptability is crucial for responding to emerging movements and current events. The rules-based component provides clear guidelines for specific voting issues, reducing ambiguity and ensuring that our decisions are consistent and predictable. This hybrid approach allows us to balance ethical considerations with practical guidelines, enabling well-rounded and informed voting decisions that consider both the broader social impact and specific circumstances.



## GUIDING PRINCIPLES

The following criteria describe the social justice principles which guide and inform our proxy voting decisions.

### **Racial Justice**

The Racial Justice Criteria aim to uproot systems that reinforce, perpetuate, and exacerbate racial inequities. We educate investors on the risks posed by racial injustice in the public markets and mobilize investors to discourage companies from participating in racially unjust systems.

### **Gender Justice.**

The Gender Justice Criteria aim to uproot systems that deprive women, LGBTQ+, and gender-expansive people of safe and fair opportunities in the workplace and society. We educate investors on the risks posed by gender injustice in the public markets and mobilize investors to discourage companies from participating in those unjust systems.

### **Economic Justice.**

The Economic Justice Criteria aim to create a fair, sustainable, and equitable financial future for all people and communities. We educate investors on the risks posed by economic injustice in the public markets and mobilize investors to discourage companies from participating in economically unjust systems.

### **Climate Justice.**

The Climate Justice Criteria aim to create a safe, healthy, and sustainable planet for all people and communities. We educate investors on the risks posed by climate injustice in public markets and mobilize investors to discourage companies from participating in environmentally unjust systems.

### **Movement Aligned.**

The Movement Aligned Criteria take direction from a variety of causes to advance social equity

## GUIDELINE SUMMARY

The following table provides a summary of proposals and Adasina's principles-based guidelines for voting on each topic. These guidelines are not intended to address all issues that may appear on proxy ballots we receive. Adasina will evaluate on a case-by-case basis any proposal not specifically addressed in these guidelines and vote in a manner we determine is consistent with our Social Justice Investment Criteria.

	<b>WE GENERALLY VOTE AGAINST BALLOTS IN WHICH:</b>	<b>WE GENERALLY VOTE FOR BALLOTS WHICH:</b>
<b>BOARD OF DIRECTORS</b>	<ul style="list-style-type: none"> <li>• The board is not majority independent</li> <li>• The CEO serves as the board chair</li> <li>• Board members attend less than 75% of board meetings without a valid reason for their absence</li> <li>• The company bypasses the SEC No-Action process and instead litigates against the proponent(s), representative(s), and/or resolution</li> <li>• The CEO is nominated to serve as board chair</li> <li>• The nominated slate of candidates lacks gender diversity, defined as less than 50% female</li> <li>• The nominated slate of candidates lacks racial/ethnic diversity, defined as less than 40% non-white</li> <li>• There is a greater than 100:1 CEO-to-median worker pay ratio</li> <li>• The company CEO has been listed among the 100 Most Overpaid CEOs and has not changed practices</li> </ul>	<ul style="list-style-type: none"> <li>• Adopt a policy and report on plans to increase gender and racial/ethnic board diversity</li> <li>• Report board diversity and skills, specifically recruitment, retention, and promotion rates parsed by all protected classes</li> <li>• Establish board committees on sustainability, climate change, and/or human rights</li> <li>• Nominate climate and human rights experts to the board</li> <li>• Separate the board chair and CEO positions</li> <li>• Develop a CEO succession policy</li> <li>• Require that the chair of the board be an independent director</li> <li>• Require that the board is composed of a majority of independent directors</li> <li>• Require a board director to meet with proponents who achieve a 50%+ majority vote</li> <li>• Provide shareholders with the ability to nominate board candidates</li> <li>• Require reporting on proxy voting policy alignment with the company's policies</li> <li>• Adopt a simple majority vote standard in the election of directors</li> <li>• Declassify the board (meaning all board members are reelected annually)</li> </ul>
<b>AUDITORS</b>	<ul style="list-style-type: none"> <li>• Non-audit consultant fees represent more than 25% of the total fees paid to the auditor during the previous fiscal year</li> </ul>	
<b>EXECUTIVE COMPENSATION</b>	<ul style="list-style-type: none"> <li>• CEO pay is greater than the 75th percentile of peers</li> <li>• CEO to median employee ratio is higher than 100:1</li> <li>• The total potential dilution from all company stock plans exceeds 10% of the current outstanding stock</li> </ul>	<ul style="list-style-type: none"> <li>• Adopt a policy/report on linking executive compensation to ESG metrics</li> <li>• Require reporting on compensation links to risky practices</li> <li>• Require reporting on retirement benefits alignment with climate goals</li> <li>• Disclose and compare total executive compensation to employees' median wage</li> <li>• Adopt a policy to recoup unearned executive bonuses or incentive pay when performance targets have not been met</li> </ul>

	<b>WE GENERALLY VOTE AGAINST BALLOTS IN WHICH:</b>	<b>WE GENERALLY VOTE FOR BALLOTS WHICH:</b>
		<ul style="list-style-type: none"> <li>• Require stock retention as a means to incentivize executives on long-term shareholder value</li> <li>• Require a shareholder vote on golden parachutes or severance compensation on termination</li> <li>• Adopt a policy against paying tax gross-ups to executives</li> <li>• Consider CEO-worker pay disparity in CEO compensation</li> <li>• Require reporting on gender/racial pay disparity</li> <li>• Commission pay equity independent audit</li> <li>• Require reporting on pay disparity between top senior executives and lower-level employees' median wage</li> </ul>
<b>CAPITAL STRUCTURE</b>	<ul style="list-style-type: none"> <li>• Dual classes of common stock have different voting rights</li> <li>• Stock buybacks are proposed</li> </ul>	<ul style="list-style-type: none"> <li>• Adopt a one-share, one-vote policy</li> </ul>
<b>SHAREHOLDERS RIGHTS</b>		<ul style="list-style-type: none"> <li>• Allow shareholders to call special meetings (10% threshold)</li> <li>• Allow shareholders to act by written consent</li> <li>• Provide shareholders holding 3% or more of stock for at least three years with the ability to nominate board candidates</li> <li>• Adopt a simple majority vote (For vs. Against; abstentions would not be allowed to be voted by management)</li> <li>• Eliminate supermajority vote requirements</li> <li>• Require an annual say-on-pay vote</li> <li>• Eliminate dual classes of common stock with unequal voting rights</li> </ul>
<b>CLIMATE CHANGE</b>		<ul style="list-style-type: none"> <li>• Adopt a policy/report on net-zero GHG reduction targets</li> <li>• Adopt a policy/report on Scope 3 emissions reduction targets</li> <li>• Require reporting on goals to reduce Scope 3 emissions</li> <li>• Require reporting on methane emissions and flaring</li> <li>• Require reporting on methane emissions reduction targets</li> <li>• Require reporting on methane measurement methodologies</li> <li>• Require reporting on Paris-aligned GHG reduction targets</li> <li>• Require reporting on science-based</li> </ul>

	WE GENERALLY VOTE AGAINST BALLOTS IN WHICH:	WE GENERALLY VOTE FOR BALLOTS WHICH:
		<p>climate transition plans</p> <ul style="list-style-type: none"> <li>• Require reporting on stranded carbon asset risk</li> <li>• Require reporting on the use of carbon offsets</li> <li>• Adopt a policy to limit, phase out, and/or end GHG emissions financing</li> <li>• Require reporting on GHG emissions financing</li> <li>• Adopt a policy to limit, phase out, and/or end fossil fuel financing or underwriting</li> <li>• Require reporting on fossil fuel financing or underwriting</li> <li>• Issue audited climate transition plan</li> <li>• Require reporting risks associated with climate-driven droughts and mega-droughts</li> <li>• Require reporting on fossil fuel stranded asset risk due to climate-related factors, such as climate-related regulations and climate change-driven technology and demand shifts</li> <li>• Require reporting on the alignment of corporate retirement plans (401(k)) and stated climate goals</li> <li>• Adopt a policy to align lobbying activities with climate goals</li> <li>• Require reporting on the alignment of lobbying activities with climate goals</li> </ul>
<p><b>ENVIRONMENTAL MANAGEMENT</b></p>		<ul style="list-style-type: none"> <li>• Require reporting on supply chain deforestation impacts</li> <li>• Require reporting on deforestation and financing</li> <li>• Require reporting on risks to company operations associated with climate change, such as financial risks, physical risks, and public health risks</li> <li>• Reduce chemical footprint risks</li> <li>• Require reporting on the “right to repair” policy</li> <li>• Require reporting on reducing packaging and/or plastic pollution</li> <li>• Require reporting on opportunities to support a circular economy for packaging</li> <li>• Require reporting on deep-sea mining impacts</li> <li>• Conduct and/or report on biodiversity impact assessments</li> </ul>

	<b>WE GENERALLY VOTE AGAINST BALLOTS IN WHICH:</b>	<b>WE GENERALLY VOTE FOR BALLOTS WHICH:</b>
<b>INDUSTRIAL AGRICULTURE</b>		<ul style="list-style-type: none"> <li>• Adopt a policy or report on the use of cage-free eggs</li> <li>• Adopt a policy or report on the use of gestation crate-free housing for pigs</li> <li>• Require reporting on car accident testing on pigs</li> <li>• Require reporting on laboratory testing on non-human primates</li> <li>• Require reporting on or a phase-out of antibiotic use in the food-animal supply chain</li> <li>• Adopt a policy to phase out antibiotic use in the food-animal supply chain</li> <li>• Require reporting on pesticide health risks from the supply chain</li> <li>• Require reporting on animal welfare in the supply chain</li> </ul>
<b>ARTIFICIAL INTELLIGENCE</b>		<ul style="list-style-type: none"> <li>• Adopt/report on guidelines for ethical use of AI in business operations</li> <li>• Require reporting on AI use in business operations, oversight, and guidelines</li> <li>• Require reporting on AI-generating misinformation and disinformation risks</li> <li>• Require reporting on human rights risks associated with the development and deployment of AI systems</li> </ul>
<b>CORPORATE POLITICAL ACTIVITY</b>	<ul style="list-style-type: none"> <li>• Political contributions are proposed, renewed, or expanded</li> </ul>	<ul style="list-style-type: none"> <li>• Require reporting on direct and indirect lobbying, including payments, memberships in tax-exempt organizations that write legislation, and management decision-making process</li> <li>• Require reporting on contributions made to trade associations and other tax-exempt entities that are used for political purposes</li> <li>• Require reporting on political spending, including policies and procedures for contributing to political campaigns as well as the recipient, amount paid, and company decision-maker</li> <li>• Adopt a policy of no lobbying, campaign spending, or other election-related expenditures</li> <li>• Provide a congruency analysis between corporate values and political and electioneering contributions (e.g., climate change,</li> </ul>

	WE GENERALLY VOTE AGAINST BALLOTS IN WHICH:	WE GENERALLY VOTE FOR BALLOTS WHICH:
		healthcare, social justice, or environmental risks)
<b>ETHICAL FINANCE</b>		<ul style="list-style-type: none"> <li>• Require reporting on tax compliance metrics</li> <li>• Adopt a policy on paid family leave</li> <li>• Require reporting on paid family leave</li> <li>• Require reporting on employee stock ownership by job category</li> <li>• Adopt a policy to end gender and/or racial pay disparity</li> <li>• Commission an independent pay equity audit</li> <li>• Require reporting on gender and racial adjusted and unadjusted median pay gaps</li> </ul>
<b>HEALTH</b>		<ul style="list-style-type: none"> <li>• Adopt a policy on paid sick leave</li> <li>• Report on paid sick leave</li> <li>• Report on reproductive health benefits</li> <li>• Report on COVID-19 drug pricing and subsidies</li> <li>• Report on COVID-19 vaccine technology transfer</li> <li>• Expand health-related digital privacy protections</li> <li>• Report on anti-competitive practices risk oversight</li> <li>• Report on the impact of extended patent exclusivities</li> <li>• Report on food sales, public health risks, and economic impacts</li> <li>• Report on reproductive health rights risks</li> <li>• Report on brand nicotine levels and reducing these to less addictive levels</li> <li>• Report on the sale of tobacco products and impacts on external public health</li> </ul>
<b>HUMAN RIGHTS</b>		<ul style="list-style-type: none"> <li>• Join the Fair Food Program to ensure humane wages and safe conditions for agricultural workers</li> <li>• Report on child labor in cocoa production</li> <li>• Report on criteria for investment, continued operations, and withdrawal from countries with a high risk of genocide or human rights violations</li> <li>• Adopt a policy of not doing business with governments complicit in</li> </ul>

	WE GENERALLY VOTE AGAINST BALLOTS IN WHICH:	WE GENERALLY VOTE FOR BALLOTS WHICH:
		<p>genocide and/or crimes against humanity</p> <ul style="list-style-type: none"> <li>• Report on use of company products or services linked to violations of international law</li> <li>• Report on environmental and health impacts from company operations on communities of color and low-income communities.</li> <li>• Report on human rights due diligence process to assess, identify, prevent, and mitigate actual and potential adverse human rights impacts</li> <li>• Report on human and/or labor rights risks in the supply chain</li> <li>• Adopt a policy and report on human trafficking, forced labor, and sexual exploitation of minors including recruitment fees</li> <li>• Assess the risk of child sexual exploitation across company platforms and businesses</li> <li>• Report on effectiveness of policies on Indigenous Peoples' rights</li> <li>• Report on financing of pipelines on Indigenous Peoples' lands</li> <li>• Adopt a policy on prison labor in the supply chain</li> <li>• Commission racial equity independent audit</li> <li>• Report on plans to promote racial justice</li> <li>• Report on civil rights policy and impact</li> <li>• Report on the human rights risks of company products, operations, and supply chain</li> <li>• Extend human rights policies to franchisees, licensees, and agents that market, distribute, or sell its products</li> <li>• Report on sales of facial recognition and/or surveillance technology</li> <li>• Report on the use of products and services for surveillance, computer vision, or cloud storage capabilities that contribute to human rights violations</li> <li>• Conduct training of employees on company human rights policy and/or the recognition and prevention of forced labor, slavery, or human trafficking</li> </ul>



	WE GENERALLY VOTE AGAINST BALLOTS IN WHICH:	WE GENERALLY VOTE FOR BALLOTS WHICH:
		<ul style="list-style-type: none"> <li>• Adopt a policy on the human right to water</li> <li>• Report on gun sales</li> <li>• Report on nuclear weapons financing</li> </ul>
<b>MEDIA</b>		<ul style="list-style-type: none"> <li>• Report on compliance with government censorship requests</li> <li>• Report on algorithm system impact on user speech</li> <li>• Report on online child safety impacts and mitigation steps</li> <li>• Conduct child risk assessment across company platforms and businesses</li> <li>• Report on privacy, data security, and civil rights risks related to use of big data</li> <li>• Report on problematic content management</li> <li>• Report steps to identify and address fake news and related hate speech that may be enabled by company operations</li> </ul>
<b>SUSTAINABILITY</b>		<ul style="list-style-type: none"> <li>• Adopt practices to curtail corporate activities that externalize social and environmental costs that are likely to decrease returns of diversified portfolios</li> <li>• Report on business practices that place financial return over healthy social and environmental systems and risk returns of diversified investors</li> <li>• Publish an annual sustainability report on short- and long-term ESG issues and/or key sustainability metrics, such as GHG emissions and reduction goals</li> </ul>
<b>WORKPLACE CONDITIONS</b>		<ul style="list-style-type: none"> <li>• Report on the use of or adopt a policy for recession of concealment clauses, mandatory binding arbitration, and non-disclosure agreements with employees</li> <li>• Disclose equal employment opportunity (EEO-1) data regarding diversity in the workforce</li> <li>• Report on the effectiveness of diversity, equity, and inclusion programs</li> <li>• Set goals to increase gender and racial diversity at managerial and senior levels of the company</li> <li>• Commission gender and racial</li> </ul>

	WE GENERALLY VOTE AGAINST BALLOTS IN WHICH:	WE GENERALLY VOTE FOR BALLOTS WHICH:
		<div data-bbox="1110 268 1409 296" data-label="Text"> <p>diversity independent audit</p> </div> <ul style="list-style-type: none"> <li data-bbox="1062 300 1495 384">● Adopt a non-interference policy on rights to freedom of association and collective bargaining</li> <li data-bbox="1062 388 1446 472">● Report on alignment of management non-interference practices and policies</li> <li data-bbox="1062 476 1474 531">● Report on material human capital risks and opportunities</li> <li data-bbox="1062 535 1479 590">● Report on worker misclassification risks in supply chains</li> <li data-bbox="1062 594 1500 678">● Adopt a nondiscrimination policy for gender identity and sexual orientation</li> <li data-bbox="1062 682 1484 737">● Commission LGBTQ+ independent audit</li> <li data-bbox="1062 741 1511 795">● Commission worker health and safety audit</li> <li data-bbox="1062 800 1377 854">● Report on accidents with replacement workers</li> </ul>