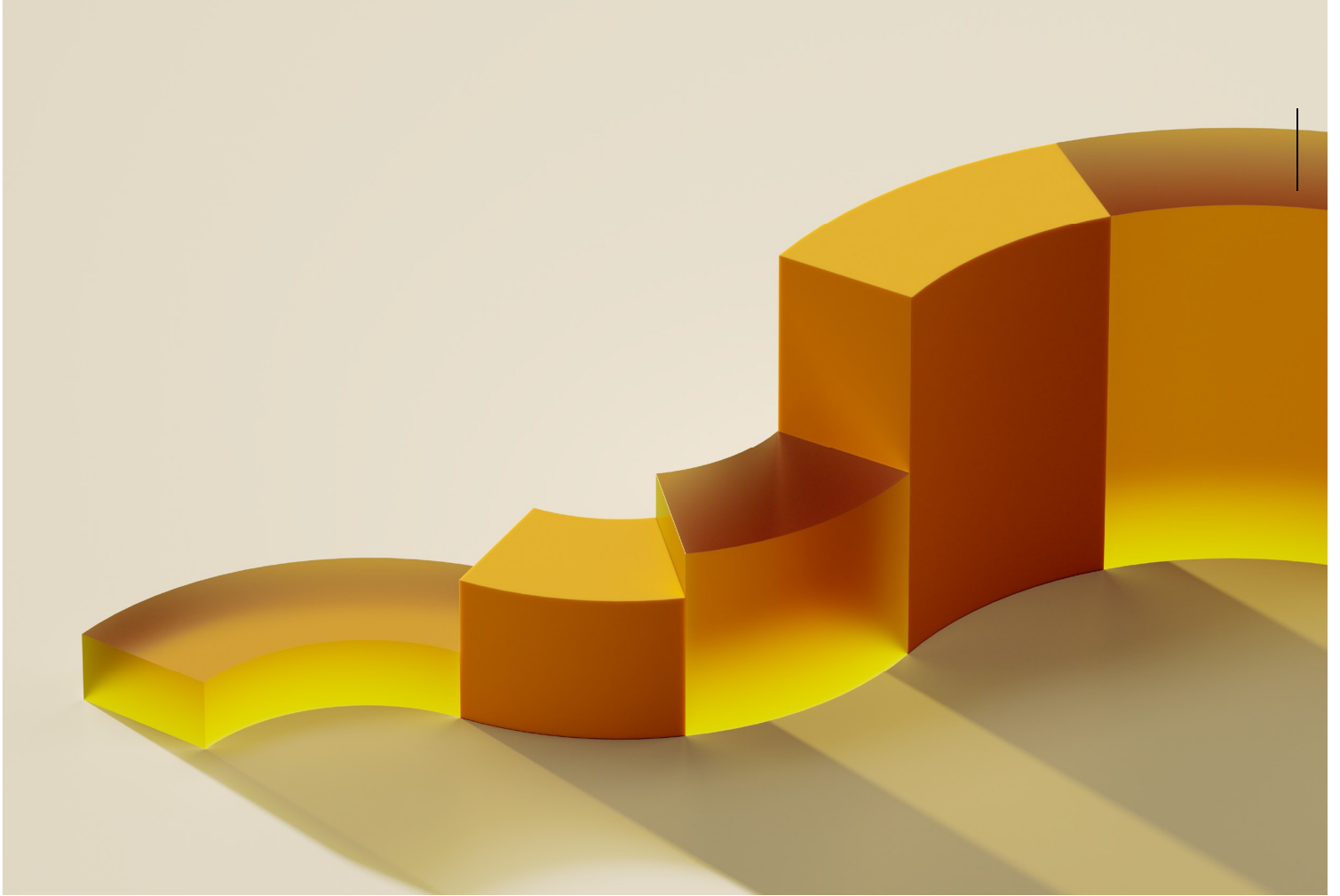




Global proxy voting guidelines

North America, Europe, Middle East, Africa, Central America, South America, and Asia

~~March 2023~~

|

I. Proxy Voting Guidelines

JPMAM is a global asset management organization with the capabilities to invest in securities of issuers located around the ~~globew~~world. Because the regulatory framework and the business cultures and practices vary from region to region, ~~our proxy voting guidelines~~the Guidelines have been customized for each region to take into account such variations.

JPMAM currently has four sets of ~~proxy voting guidelines~~Guidelines covering the regions of (1) North America, (2) Europe, Middle East, Africa, Central America and South America (3) Asia (ex-Japan) and (4) Japan, respectively. Notwithstanding the variations among the ~~guidelines~~Guidelines, all of these ~~guidelines~~Guidelines have been designed with the uniform objective of encouraging corporate action that enhances shareholder value. As a general rule, in voting proxies of a particular security, each JPMAM Entity will apply the ~~guidelines~~Guidelines of the region in which the issuer of such security is organized.

~~In March 2007, JPMAM signed the Principles for Responsible Investment, an initiative of the UN Secretary-General.~~

A. North America

1. Board of Directors

A. Uncontested Director Elections

Votes on director nominees should be made on a case-by-case ~~(for)~~ basis. Votes generally will be ~~WITHHELD~~withheld from directors who:

- attend less than 75 ~~percent~~% of the board and committee meetings without a valid excuse for the absences;
- adopt or renew a poison pill without shareholder approval, ~~does~~do not commit to putting it to a shareholder vote within 12 months of adoption (or, in the case of ~~an~~a newly public company, do not commit to put the ~~poison~~ pill to a shareholder vote within 12 months following the ~~IP~~O; initial public offering) or reneges on a commitment to put the ~~poison~~ pill to a vote; and has not yet received a withhold recommendation for this issue;
- are inside or affiliated outside directors and sit on the audit, compensation, or nominating committees. For purposes of defining "affiliation," we will apply either the NYSE listing rule for companies listed on that exchange or the NASDAQ listing rule for all other companies;
- ignore a shareholder proposal that is approved by a i) ~~a~~ majority of the shares outstanding; or ii) ~~a~~ majority of the votes cast. The review period will be the vote results over a consecutive two ~~-~~year time frame;
- are inside or affiliated outside directors and the full board serves as the audit, compensation, or nominating committee or the company does not have one of these committees;
- are insiders and affiliated outsiders on boards that are not at least majority independent. In the case of controlled companies, ~~we will~~ vote ~~FOR~~for non-independent directors who serve on committees

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other than the audit committee¹

7. are chief executive officers (“CEOs”) of publicly-traded companies who serve on more than two public boards (besides his or her own board) and all other directors who serve on more than four public-company boards.

8. are compensation committee members where there is a pay-for-performance disconnect for Russell 3000 companies. (See [Section 9a – Stock-Based Incentive Plans](#), last paragraph). ~~WITHHOLD~~ We will withhold votes from compensation committee members if the company does not submit one-time transferable stock options to shareholders for approval.
9. are audit committee members in circumstances in which there is evidence (such as audit reports or reports mandated under the Sarbanes-Oxley Act of 2002) that there ~~exist~~ exist material weaknesses in the company's internal controls.
- ~~10. are~~ compensation committee members who were present at the time of the grant of backdated
- ~~10.~~ options or options the pricing or the timing of which we believe may have been manipulated to provide additional benefits to executives.
11. demonstrated a history of poor performance or inadequate risk oversight.
12. ~~and/or are~~ committee members when the board adopts changes to the company's by-laws or charter without shareholder approval if the changes materially diminish shareholder rights. ~~or~~
13. chair the board, are lead independent directors, or chair governance committees of publicly traded companies where employees have departed for significant ~~violation~~ violations of ~~code~~ codes of conduct without ~~claw back~~ clawback of compensation.
- ~~14. for~~ For newly public companies, vote case-by-case on directors as we believe the company should have the appropriate time frame to mature and better its governance structure and practices.

B. ~~CEO~~ Chief Executive Officer Votes

Except as otherwise described above, we generally do not vote against a sitting ~~CEO~~ chief executive officer in recognition of the impact the vote may have on the management of the company.

C. Proxy Access

Generally, we vote for shareholder proposals requesting companies to amend their by-laws in order to facilitate shareholders' ability to nominate candidates for directors as long as the minimum threshold of share ownership is 3% (defined as either a single shareholder or group of shareholders) and the minimum holding period of share ownership is three years. Generally, we will oppose proposals that restrict share-ownership thresholds to a single shareholder. ~~minimum holding period of share ownership is 3 years. Generally, we will oppose proposals which restrict share-ownership thresholds to a single shareholder.~~

We recognize the importance of shareholder access to the ballot process as one means to ensure that boards do not become self-perpetuating and self-serving. We generally support the board when ~~they have~~it has adopted proxy access at a ~~3%/3%/three~~-year threshold either through a majority-supported shareholder ballot or by adopting the ~~bylaw~~by-law on its own initiative.

However, we are also aware that some proposals may promote certain interest groups to the detriment of shareholders generally and could be disruptive to the nomination process. Hence, we will generally vote against shareholder proposals that seek to amend an existing proxy access bylaw unless the terms ~~vote against shareholder proposals which seek to amend an existing proxy access by law unless the terms~~ of the proxy access right ~~is~~are unduly restrictive to shareholders.

2. Proxy Contests

A. Election of Directors

Votes in a contested election of directors must be evaluated on a case-by-case basis, considering the following factors: long-term financial performance of the subject company relative to its industry; management's track record; background to the proxy contest; qualifications of director nominees (both slates); evaluation of what each side is offering shareholders as well as the likelihood that the proposed objectives and goals can be met; and stock-ownership positions.

~~B.~~ Reimburse Proxy ~~Solicitation~~ Expenses

Decisions to provide full reimbursement for dissidents waging a proxy contest should be made on

B. a case-by-case basis.

3. Ratification of Auditors

Vote for proposals to ratify auditors, unless an auditor has a financial interest in or association with the company, and is therefore not independent, or there is reason to believe that the independent auditor has rendered an opinion that is neither accurate nor indicative of the company's financial position.

Generally vote against auditor ratification and withhold votes from ~~Audit Committee~~audit committee members if non-audit fees exceed audit fees.

**Vote on a case-by-case basis on auditor Rotation-
Proposals rotation proposals considering the
following factors: tenure of Audit Firm audit firm;
establishment and disclosure of a renewal process**
whereby the auditor is regularly

evaluated for both audit quality and competitive price; length of the rotation period advocated in the proposal; significant audit-related issues; and number of annual ~~Audit Committee~~ audit committee meetings held and the number of financial experts that serve on the ~~Audit Committee~~ audit committee.

Generally, we will vote against auditor indemnification and limitation of liability; however, we recognize there may be situations where indemnification and limitations on liability may be appropriate.

- Absence of superior voting rights for one or more classes of stock; and
- ~~Board the board~~ does not have the sole right to change the size of the board beyond a stated range that has been approved by shareholders; and
- Absence of shareholder rights plan that can only be removed by the incumbent directors (dead-hand poison pill).

~~B.-Shareholder~~ Shareholders' Ability to Remove Directors

B. Vote We will vote against proposals that provide that directors may be removed only for cause.

Vote

4. Proxy Contest Defenses

A. Board Structure: Staggered ~~vs.~~ versus Annual Elections

Proposals regarding classified boards will be voted on a case-by-case basis. Classified boards normally will be supported if the company's governing documents contain each of the following provisions:

- Majority of board composed of independent directors; and
- Nominating committee composed solely of independent directors; and
- Do not require more than a two-thirds shareholders' vote to remove a director, revise any ~~bylaw~~ by-law or revise any classified board provision; and
- Confidential voting (however, there may be a provision for suspending confidential voting during proxy contests); and
- Ability of shareholders to call special meeting or to act by written consent with 90 days' notice; and

~~We will vote~~ for proposals to restore ~~shareholders~~~~shareholders'~~ ability to remove directors with or without cause.

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~~Vote~~~~We will vote~~ against proposals that provide that only continuing directors may elect replacements to fill board vacancies.

~~Vote~~~~We will vote~~ for proposals that permit shareholders to elect directors to fill board vacancies.

C. Cumulative Voting

Cumulative voting proposals will be voted on a case- by-case basis. If there are other safeguards _____to ensure that shareholders have reasonable access and- input into the process of nominating and electing directors, cumulative voting is not essential. Generally, a company's governing documents must contain the following provisions for us to vote against restoring or providing for cumulative voting:

- ~~Annually~~~~annually~~ elected board~~;~~~~;~~
- ~~Majority~~~~majority~~ of board composed of independent directors~~;~~~~;~~
- ~~Nominating~~~~nominating~~ committee composed solely of independent directors~~;~~~~;~~
- ~~Confidential~~~~confidential~~ voting (however, there may be a provision for suspending confidential voting during proxy contests)~~;~~~~;~~
- ~~Ability~~~~ability~~ of shareholders to call a special meeting or to act by written consent with 90 days' notice~~;~~~~;~~
- ~~Absence~~~~absence~~ of superior voting rights for one or more classes of stock~~;~~~~;~~

- ~~Board~~the board does not have the sole right to change the size of the board beyond a stated range that has been approved by shareholders~~;~~; and
- ~~Absence~~absence of a shareholder rights plan that can only be removed by the incumbent directors (dead-hand poison pill).

~~D. Shareholder~~Shareholders' Ability to Call Special Meeting

~~D. Vote~~ We will vote against proposals to restrict or prohibit ~~shareholders~~shareholders' ability to call special meetings so-
long as the ability to call special meetings requires-
the affirmative vote of less than 15% of the shares outstanding. The ability to call special meetings
_enables shareholders to remove directors or initiate a shareholder resolution without having to wait for the next scheduled meeting, should require more than a de minimis number of shares to call the meeting and subject the company to the expense of a shareholder meeting.

~~Vote~~

We will vote for proposals that remove restrictions on the right of shareholders to act independently of management.

~~E. Shareholder~~Shareholders' Ability to Act by Written Consent

E. We generally vote for proposals to restrict or prohibit ~~shareholder~~shareholders' ability to take action by written consent.

The requirement that all shareholders be given notice of a shareholders' meeting and matters to be discussed therein seems to provide a reasonable protection of minority shareholder rights.

We generally vote against proposals to allow or facilitate shareholder action by written consent unless the company does not permit the right to call special meetings; or if there are undue restrictions on shareholders' rights to call special meetings.

F. ~~Shareholder~~Shareholders' Ability to Alter the Size of the Board

~~Vote~~We will vote for proposals that seek to fix the size of the board.

~~Vote~~We will vote against proposals that give management the ability to alter the size of the board without shareholder approval.

5. Tender Offer Defenses

A. Poison Pills

Vote for shareholder proposals that ask a company to submit its poison pill for shareholder ratification.

Review on a case-by-case basis shareholder proposals to redeem a company's poison pill.

Studies indicate that companies with a rights plan secure higher premiums in hostile takeover situations.

Review on a case-by-case basis management proposals to ratify a poison pill. We generally look for shareholder-friendly features, including a two- to three-year sunset provision, a permitted bid provision, a 20-~~percent~~% or higher flip-in provision; and the absence of dead-hand features.

If the board refuses to redeem the poison pill 90 days after an offer is announced, ~~ten percent~~10% of the shares may call a special meeting or seek a written consent to vote on rescinding the poison pill.

B. Fair Price Provisions

Vote proposals to adopt fair price provisions on a case-by-case basis, evaluating factors such as the

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vote required to approve the proposed acquisition, the vote required to repeal the fair price provision, and the mechanism for determining the fair price.

Generally, vote against fair price provisions with shareholder vote requirements greater than a majority of disinterested shares.

C. Greenmail

Vote for proposals to adopt ~~antigreenmail~~ an anti-greenmail charter or ~~bylaw~~ by-law amendments or otherwise restrict a company's ability to make greenmail payments.

D. Unequal Voting Rights

Generally, vote against dual-class recapitalizations as they offer an effective way for a firm to thwart hostile takeovers by concentrating voting power in the hands of management or other insiders.

Vote for dual-class recapitalizations when the structure is designed to protect the economic interests of investors.

E. Supermajority Shareholder Vote Requirement to Amend Charter or

~~Bylaws~~By-laws

Vote against management proposals to require a supermajority shareholder vote to approve charter and ~~bylaw~~by-law amendments. Supermajority provisions violate the principle that a simple majority of voting shares should be all that is necessary to effect change regarding a company.

Vote for shareholder proposals to lower supermajority shareholder vote requirements for charter and ~~bylaw~~by-law amendments.

F. Supermajority Shareholder Vote Requirement to Approve Mergers

Vote against management proposals to require a supermajority shareholder vote to approve mergers and other significant business combinations.

Supermajority provisions violate the principle that a simple majority of voting shares should be all that is necessary to effect change regarding a company.

Vote for shareholder proposals to lower supermajority shareholder vote requirements for mergers and other significant business combinations.

6. Miscellaneous Board Provisions

A. Separate Chairman and ~~CEO~~Chief Executive Officer Positions

We will generally vote for proposals looking to separate the ~~CEO~~chief executive officer and ~~Chairman~~chairman roles unless the company has governance structures in place that can satisfactorily counterbalance a combined chairman and ~~CEO~~/chief executive officer/president post. Such a structure should include most or all of the following:

- ~~Designated~~a designated lead director, appointed from the ranks of the independent board members, with clearly delineated duties. At a minimum, these duties should include:
 - (1) ~~Presides~~presiding at all meetings of the board at which the chairman is not present, including executive sessions of the independent directors;
 - (2) ~~Serve~~serving as liaison between the chairman and the independent directors;

(3) ~~Approves~~approving information sent to the board;

(4) ~~Approves~~approving meeting agendas for the board;

(5) ~~Approves~~approving meeting schedules to assureensure that there is sufficient time for discussion of all agenda items;

(6) ~~Has~~having the authority to call meetings of the independent directors; and

(7) ~~If~~if requested by major shareholders, ensureensuring that he or she is available for consultation and direct communication;

- ~~2/3 of a two-thirds~~ independent board;
- ~~All~~independent key committees;
- ~~Committee~~committee chairpersons nominated by the independent directors;
- ~~CEO~~performance isof the chief executive officer reviewed annually by a committee of outside directors; and
- ~~Established~~established governance guidelines.

Additionally, the company should not have underperformed its peers under the current leadership, over the long term.

B. Lead Directors and Executive Sessions

In cases where the ~~CEO~~chief executive officer and ~~Chairman~~chairman roles are combined, we will vote for the appointment-

of a "lead" (non-insider) director and for regular "executive" sessions (board meetings taking place without the ~~CEO/Chairman~~chief executive officer/chairman present).

C. Majority of Independent Directors

We generally vote for proposals that call for the board to be composed of a majority of independent directors.-

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We believe that a majority of independent directors can be an important factor in facilitating objective decision-making and enhancing accountability to shareholders.

Vote for shareholder proposals requesting that the board's audit, compensation, and/or nominating committees include independent directors exclusively.

Generally vote for shareholder proposals asking for a ~~2/3~~two-thirds independent board.

D. Stock--Ownership Requirements

Vote for shareholder proposals requiring directors to own a minimum amount of company stock in order to qualify as a director or to remain on the board, so long as such minimum amount is not excessive or unreasonable.

E. Hedging/Pledging of Securities

We support full disclosure of the policies of the company regarding hedging and/or pledging ~~and/or hedging~~ of company stocks by executives and board directors. We will vote ~~FOR~~for shareholder proposals ~~which~~that ask for disclosure of this policy. We will vote ~~Case-case~~by Case-case for directors if it is determined that hedging and/or pledging of securities has occurred.

F. Term of Office

Vote against shareholder proposals to limit the tenure of outside directors. Term limits pose artificial and arbitrary impositions on the board and could harm shareholder interests by forcing experienced and knowledgeable directors off the board.

G. Board Composition

We support board refreshment, independence, and a diverse ~~skillsets~~skill set for directors as an important part of contributing to long-term shareholder value. We believe that board composition should contribute to overall corporate strategies and risk management and will evaluate the board's skills, expertise, and qualifications. ~~As a matter of principle, we~~We expect our investee companies to be committed to diversity and inclusiveness in their general recruitment policies as we believe such diversity contributes to the effectiveness of boards, and further development of sound governance and risk oversight. As with all proxy votes, we seek to vote in our clients' best interests to enhance long-term shareholder value. We will utilize our voting power to bring about change where ~~Boards~~boards

are lagging in gender and racial/ethnic diversity. We will generally vote against the chair of the ~~Nominating Committee~~nominating committee when the issuer does not disclose the gender or racial and ethnic composition of the ~~Board~~board. Aggregated diversity data will be considered as adequate in instances where individual directors do not wish to disclose personal identification.

~~identification~~: We will generally vote against the chair of the ~~Nominating Committee~~nominating committee when the issuer lacks any gender diversity or any racial/ethnic diversity unless there are mitigating factors. Mitigating factors include, among other factors, recent retirement of relevant directors, a relatively new public company, and an ongoing search for a director.

~~ongoing search for a director~~: We generally will vote case-by-case on shareholder proposals ~~which~~that seek to force the board to add specific expertise or to change the composition of the board.

H. Director and Officer Indemnification and Liability Protection

Proposals concerning director and officer indemnification and liability protection should be evaluated on a case-by-case basis.

Vote against proposals to limit or eliminate director and officer liability for monetary damages for violating the relevant duty of care.

Vote against indemnification proposals that would expand coverage beyond legal expenses to acts, such as negligence, that are more serious violations of fiduciary obligations than mere carelessness.

Vote for proposals that provide such expanded coverage in cases when a director's or officer's legal defense was unsuccessful only if: (1) the director was found to have acted in good faith and in a manner that ~~he~~they reasonably believed was in the company's best interests; and (2) the director's legal expenses would be covered.

I. Board Size

Vote for proposals to limit the size of the board to 15 members.

J. Majority Vote Standard

We would generally vote for proposals asking for the board to initiate the appropriate process to amend the company's governance documents (certificate of incorporation or ~~bylaws~~by-laws) to provide that director nominees shall be elected by the affirmative vote of the majority of votes cast at an annual meeting of-

shareholders. We would generally review on a case- by-case basis proposals that address alternative approaches to a majority-~~v~~ote requirement.

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K. Zombie Directors

Generally vote against the chair of the nominating committee if one or more directors remain on the board after having received less than the majority of votes cast in the prior election.

7. Miscellaneous Governance Provisions

A. Independent Nominating Committee

A.
Vote for
the
creation
of an
independ
ent
nominati
ng
committe
e.

items is
not in shareholders' best interests, vote against the
proposals. If the combined effect is positive, support
such proposals.

B. Confidential Voting

Vote for shareholder proposals requesting that
companies adopt confidential voting, use
independent tabulators, and use independent
inspectors of election as long as the proposals
include clauses for proxy contests as follows: In the
case of a contested election, management should be
permitted to request that the dissident group honor
its confidential voting policy. If the dissidents agree,
the policy remains in place. If the dissidents do not
agree, the confidential voting policy is waived.

Vote for management proposals to adopt confidential
voting.

C. Equal Access

Vote for shareholder proposals that would give
significant company shareholders equal access to
management's proxy material in order to evaluate and
propose voting recommendations on proxy proposals
and director nominees and to nominate their own
candidates to the board.
~~proposals and director nominees and to nominate~~
~~their own candidates to the board.~~

D. Bundled Proposals

Review on a case-by-case basis bundled or
"conditioned" proxy proposals. In the case of items
that are conditioned upon each other, examine the
benefits and costs of the packaged items. In
instances where the joint effect of the conditioned

E. Charitable Contributions

Vote against shareholder proposals regarding charitable contributions. In the absence of bad faith, self-dealing, or gross negligence, management should determine which contributions are in the best interests of the company.

F. Date/Location of Meeting

Vote against shareholder proposals to change the date or location of the shareholders' meeting. No one site will meet the needs of all shareholders.

G. Include ~~Nonmanagement~~ Non-Management Employees on Board

Vote against shareholder proposals to include ~~nonmanagement~~ non-management employees on the board.

Constituency representation on the board is not supported, rather decisions are based on director qualifications.

~~H.~~ Adjourn Meeting if Votes are Insufficient

H. Vote for proposals to adjourn the meeting when votes are insufficient. Management has additional

opportunities to present shareholders with information ~~about its proposals.~~
about its proposals.

I. Other Business

Vote for proposals allowing shareholders to bring up "other matters" at shareholder meetings.

~~J.~~ Disclosure of Shareholder Proponents

J. Vote for shareholder proposals requesting that company

es
disclos
e the
names
of
shareh
older-

such policy after going public without shareholder
approval or engagement, unless the company is a
Delaware ~~Corporation~~corporation.

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proponents. Shareholders may wish to contact the
proponents of a shareholder proposal for additional
information.

K. Exclusive Venue

Generally, vote for management proposals
~~which~~that seek shareholder approval to make the
state of incorporation the exclusive forum for
disputes; if the company is a Delaware corporation;
otherwise, vote on a case-by-case basis on
management proposals ~~which~~that seek shareholder
approval to make the state of
incorporation, or another state, the exclusive forum for
disputes.

Vote against the independent chair or lead independent
director and members of the nominating/governance
committee where the company has unilaterally adopted

L. Virtual ~~Only Annual General Meeting~~ Shareholder Meetings

~~Annual stockholders'~~ In certain markets, by-law changes have taken place to allow a company to hold virtual or hybrid general shareholder meetings. General shareholder meetings should allow ~~be~~ fair, constructive and open access for ~~to~~ foster dialogue between the company management of the company and shareholders. ~~We have concerns that there may be restrictions on.~~

In principle, we are supportive of proposals allowing shareholder meetings to be convened by electronic means so long as the flexibility in the format of the meetings contributes to enhancing access to the meetings and where shareholder participation in a virtual only annual general meeting. Such a meeting should only be held in exceptional circumstances, such as during pandemic, and that companies should explain why it is necessary to hold the meeting in this manner rights are protected, regardless of whether physical or virtual.

Generally vote for management proposals allowing for the convening of shareholder meetings by electronic means, so long as the governing documents do not prohibit in-person meetings.

8. Capital Structure

A. Common ~~Stock~~ Authorization

Review proposals to increase the number of shares of common stock authorized for issue on a case-by-case basis.

Vote against proposals to increase the number of authorized shares of a class of stock that has superior voting rights in companies that have a dual-class capital structure.
~~superior voting rights in companies that have dual-class capital structure.~~

~~B.~~ Stock Distributions: Splits and Dividends

B. Vote for management proposals to increase common ~~share~~ authorization for a stock split, provided that the increase in authorized shares would not result in an excessive number of shares available for issuance given a company's industry and performance as

measured by total shareholder returns.

C. Reverse Stock Splits

Vote for management proposals to implement a reverse stock split that also reduces the number of authorized common shares to a level where the number of shares available for issuance is not excessive given a company's industry and performance in terms of shareholder returns.

Vote case-by-case on proposals to implement a reverse stock split that does not proportionately reduce the number of shares authorized for issue.

D. Blank-Check Preferred Authorization

Vote against proposals authorizing the creation of new classes of preferred stock with unspecified voting, conversion, dividend distribution, and other rights ("blank check" preferred stock).

Vote for proposals to create "blank check" preferred stock in cases when the company expressly states that the stock will not be used as a takeover device.

Vote against such proposals unless ~~it~~they explicitly ~~states~~state that the preferred stock cannot be used as ~~an~~ anti- takeover mechanism or prevent ~~a~~ change in control or mergers and acquisitions.

Vote for proposals to authorize preferred stock in cases ~~when~~where the company specifies voting, dividend, conversion, and other rights of such stock and the terms of the preferred stock appear reasonable.

Vote case-by-case on proposals to increase the number of blank-check preferred shares after analyzing the number of preferred shares available for issue given a company's industry and performance as measured by total shareholder returns.

being delisted on a case-by-case basis. Consider the following issues:

Dilution—: How much will the ownership interest of existing shareholders be reduced, and how extreme will dilution to any future earnings be?

E. Shareholder Proposals Regarding Blank-Check Preferred Stock

Vote for shareholder proposals to have blank-check preferred stock placements, other than those shares issued for the purpose of raising capital or making acquisitions in the normal course of business, submitted for shareholder ratification.

F. Adjustments to Par Value of Common Stock

F. Vote for management proposals to reduce the par value of common stock. The purpose of par value is to ~~establish the maximum responsibility of a shareholder in the event that a company becomes insolvent.~~
establish the maximum responsibility of a shareholder in the event that a company becomes insolvent.

G. Restructurings/Recapitalizations

Review proposals to increase common and/or preferred shares and to issue shares as part of a debt restructuring plan or if the company is in danger of

Change in Control— Will the transaction result in a change in control of the company?

Bankruptcy— Generally, approve proposals that facilitate debt restructurings unless there ~~are~~clear signs of self-dealing or other abuses.

H. Share Repurchase ~~Programs~~Plans

Vote for management proposals to institute open-market share repurchase plans in which all shareholders may participate on equal terms.

I. Targeted Share Placements

These shareholder proposals ask companies to seek stockholder approval before placing 10% or more of their voting stock with a single investor. The proposals are in reaction to the ~~placement~~placement by various companies of a large block of their voting stock in an ~~ESOP~~employee stock ownership plan, parent capital fund or with a single friendly investor, with the aim of protecting themselves against a hostile tender offer. These proposals are voted on a case-by-case basis after reviewing the individual situation of the company receiving the proposal.

9. Executive and Director Compensation

A. Stock-~~based~~Based Incentive Plans

Votes with respect to compensation plans should be determined on a case-by-case basis. The analysis of compensation plans focuses primarily on the transfer of shareholder wealth (the dollar cost of pay plans to shareholders). Other matters included in our analysis are the amount of the company's outstanding stock to be reserved for the award of stock options, whether the exercise price of an option is less than the stock's ~~fair market value at the date of the grant of the options, and whether the plan provides for the exchange of outstanding options for new ones at lower~~ exercise prices: fair market value at the date of the grant of the options and whether the plan provides for the exchange of outstanding options for new ones at lower exercise prices.

In addition, we will assess the structure of the equity plan, taking into consideration certain plan features as well as grant practices. This will include whether dividends are paid or accrued to the unvested equity awards. Once the cost of the plan is estimated and

other features are taken into consideration, the plan will be reviewed to determine if it is in the best interest of the shareholders. Problematic pay practices will

have a bearing on whether we support the plan. We will consider the pay practices of other companies in the relevant industry and peer companies in this analysis.

Review case-by-case stock-based plans for companies which rely heavily upon stock for incentive compensation, taking into consideration the factors mentioned above. These companies include high-growth and financial services companies where the plan cost as measured by shareholder value transfer (SVT) appears to be high.

For companies in the Russell 3000, we will generally vote against a plan and/or withhold our vote from members of the compensation committee, when there is a disconnect between the ~~CEO~~ chief executive officer's pay and performance (an increase in pay and a decrease in

performance), the main source for the pay increase is equity-based; and the ~~CEO~~ chief executive officer participates in the plan being voted on. Specifically, if the company has significantly underperformed over the ~~long term~~ long term and its ~~CEO~~ chief executive officer also had an increase in total direct

or targeted compensation from the prior year, it would signify a disconnect in pay and performance. Generally, vote against a management proposal on executive compensation when there is a significant increase in target compensation despite long-term underperformance.

Additionally, we may vote against compensation where performance targets are not rigorous in our view or where PSUs have paid out significantly higher than what we believe is warranted by management performance.

Performance Share Units

Performance share units ("PSUs") are an incentive-based form of stock compensation paid to executives if targets against certain metrics are met or exceeded. These PSUs are generally evaluated over longer time frames, typically three years.

When companies choose to use PSUs as a component of executive compensation, we expect: 1) companies to disclose the metrics that will determine the payout of PSUs, though companies may choose not to disclose targets prospectively; and 2) disclosure of how PSUs have paid out, the metrics and targets they were based upon and actual performance versus these targets.

We will generally vote against executive compensation (management say-on-pay proposals) where PSU metrics are not disclosed or without adequate disclosure of how PSUs paid out.

Generally, vote against compensation where PSU metrics and/or targets are changed mid-cycle without adequate disclosure and rationale supporting such change.

B. Approval of Cash or Cash-and-Stock Bonus Plans

Vote for cash or cash-and-stock bonus plans to exempt the compensation from limits on deductibility under the provisions of Section 162(m) of the Internal Revenue Code.

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C. Shareholder Proposals to Limit Executive and Director Pay

Generally, vote for shareholder proposals that seek additional disclosure of executive and director pay information.

Review on a case-by-case basis all other shareholder proposals that seek to limit executive and director pay.

Review on a case-by-case basis shareholder proposals for performance pay such as indexed or premium-priced options if a company has a history of oversized awards and one-, two- and three-year returns below its peer group.

D. Say on Pay – Advisory Vote

Generally, review on a case-by-case basis executive pay and practices as well as certain aspects of outside director compensation.

Where the ~~company's Say on Pay proposal~~company received 60% or less support on its previous ~~Say-on-Pay~~pay proposal, ~~WITHHOLD~~withhold votes for the compensation committee and/or vote against the current ~~Say-on-Pay~~pay proposal unless the company has demonstrated active engagement with shareholders to address

the issue as well as the specific actions taken to address the low level of support. Where executive compensation seems excessive relative to peers and

is not supported by long-term performance, or where we believe performance metrics and targets used to determine executive compensation are not aligned with long-term shareholder value,
~~WITHHOLD~~withhold our vote from select members of the compensation committee.

In the case of externally-managed ~~REITs~~real estate investment trusts, generally vote against the advisory vote as there is a lack of transparency in both compensation structure and payout.

E. Say on Pay -- Frequency

~~JPMAM~~We will review compensation versus long/~~-~~ term performance on an annual basis.

E.F. Golden and Tin Parachutes

Review on a case-by-case basis all proposals to ratify or cancel golden or tin parachutes. Favor golden parachutes that limit payouts to less than three times salary, plus guaranteed retirement and target bonus.

Change-in-control payments should only be made when there is a significant change in the company ownership structure, and when there is a loss of employment or substantial change in job duties associated with the change in company ownership structure (“double-triggered trigger”). Change-in-control provisions should exclude excise tax gross-up and eliminate the acceleration of vesting of equity awards upon a change in control unless provided under a double-trigger scenario.

Generally, vote case-by-case for proposals calling companies to adopt a policy of obtaining shareholder approval for any future agreements and corporate policies that could oblige the company to make

payments or awards following the death of a senior executive in the form of unearned salary or bonuses, accelerated vesting or the continuation in force

of unvested equity grants, perquisites and other payments or awards made in lieu of compensation. This would not apply to any benefit programs or equity plan proposals for which the broad-based employee population is eligible.

F.G. 401(k) Employee Benefit Plans

Vote for proposals to implement a 401(k) savings plan for employees.

G.H. Employee Stock Purchase Plans

Vote for qualified employee stock purchase plans with the following features: the purchase price is at least 85-percent of fair market value; the offering period is 27 months or less; and potential voting power dilution (shares allocated to the plan as a percentage of outstanding shares) is ten-percent or less.

Vote for nonqualified non-qualified employee stock purchase plans with the following features: broad-based participation (i.e., all employees of the company with the exclusion of individuals with five-percent or more of beneficial ownership of the company); limits on employee contribution, which may be a fixed dollar amount or expressed as a percentage of base salary; company matching contribution up to 25-percent of the employee’s contribution, which is effectively a discount of 20-percent from market value; and no discount on the stock price on the date of purchase since there is a company matching contribution.

H.I. Option Expensing

Generally, vote for shareholder proposals to expense fixed-price options.

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H.I. Option Repricing

In most cases, we take a negative view of option repricings and will, therefore, generally vote against such proposals. We do, however, consider the granting of new options to be an acceptable alternative and will generally support such proposals, provided such options are valued appropriately.

J.K. Stock Holding Periods

Generally vote against all proposals requiring executives to hold the stock received upon option exercise for a specific period of time.

K.L. Transferable Stock Options

Review on a case-by-case basis proposals to grant transferable stock options or otherwise permit the transfer of outstanding stock options, including cost of proposal and alignment with shareholder interests.

L.M. Recoup Bonuses

1. Vote ~~FOR~~on~~for~~ shareholder proposals to recoup unearned incentive bonuses or other incentive payments made to senior executives if it is later determined that fraud, misconduct, or negligence significantly contributed to a restatement of financial results that led to the awarding of unearned incentive compensation.
2. Vote ~~FOR~~for shareholder proposals to recoup incentive payments if it is determined that the individual engaged in misconduct or poor performance prior to payment of the award or bonus, and that such award or bonus would not have been paid, in whole or in part, had the misconduct or poor performance been known prior to payment.

M.N. Two-Tiered Compensation

Vote against proposals to adopt a two-tiered compensation structure for board directors.

O. Use of Non-GAAP Measures

We expect the annual proxy statement to provide a reconciliation between adjusted results and generally accepted accounting principles results for any metric that is used for evaluating corporate performance, such as annual incentive performance or PSUs.

We will evaluate on a case-by-case basis instances where adjusted results include items that do not appear to be one-time in nature or where expenses appear unjustifiably excluded from adjusted results.

We may vote against executive compensation where such accounting adjustments fail to hold management accountable where we believe it would be appropriate.

10. Incorporation

~~A.-Reincorporation~~ ~~Outside of~~ outside the United States

A. Review on a case-by-case basis proposals to reincorporate the company outside of the ~~U.S.~~ US.

B. Voting on State Takeover Statutes

Review on a case-by-case basis proposals to opt in or out of state takeover statutes (including

control share acquisition statutes, control share cash-out statutes, ~~freezeout~~ freeze-out provisions, fair price provisions, stakeholder laws, poison pill endorsements, severance pay and labor contract provisions, ~~antigreenmail~~ anti-greenmail provisions; and disgorgement provisions).

~~C.-~~ Voting on Reincorporation Proposals

C. Proposals to change a company's state of incorporation should be examined on a case-by-case basis. Review management's rationale for the proposal, changes to the charter/~~bylaws,~~ by-laws and differences in the state laws governing the companies.

11. Mergers and Corporate Restructurings

A. Mergers and Acquisitions

Votes on mergers and acquisitions should be considered on a case-by-case basis, taking into account factors including the following: anticipated financial and operating benefits; offer price (cost ~~vs.~~ versus premium); prospects of the combined companies; how the deal was negotiated; and changes in corporate governance and their impact on shareholder rights.

B. ~~Nonfinancial~~ Non-Financial Effects of a Merger or Acquisition

Some companies have proposed a charter provision ~~which~~ that specifies that the board of directors may examine the ~~nonfinancial~~ non-financial effect of a merger or acquisition on the company. This provision would allow the board to evaluate the impact a proposed change in control

would have on employees, host communities, suppliers and/or others. We generally vote against proposals to adopt such charter provisions. We feel it is the directors' fiduciary duty to base decisions solely on the financial interests of the shareholders.

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C. Corporate Restructuring

Votes on corporate restructuring proposals, including minority ~~squeezeouts~~squeeze-outs, leveraged buyouts, "going private" proposals, spin-offs, liquidations, and asset sales, should be considered on a case-by-case basis.

D. Spin-offs

Votes on spin-offs should be considered on a case-by-case basis depending on the tax and ~~regulatory~~ advantages, planned use of sale proceeds, market focus, and managerial incentives.

E. Asset Sales

Votes on asset sales should be made on a case-by-case basis after considering the impact on the balance sheet/working capital, value received for the asset, and potential elimination of diseconomies.

F. Liquidations

Votes on liquidations should be made on a case-by-case basis after reviewing management's efforts to pursue other alternatives, appraisal value of assets, and the compensation plan for executives managing the liquidation.

G. Appraisal Rights

Vote for proposals to restore, or provide shareholders with, rights of appraisal. Rights of appraisal provide shareholders who are not satisfied with the terms of certain corporate transactions the right to demand a judicial review in order to determine a fair value for their shares.

~~a judicial review in order to determine a fair value for their shares.~~

H. Changing Corporate Name

Vote for changing the corporate name.

12. Social and Environmental Issues

We believe that a company's environmental policies may have a long-term impact on the company's financial performance. We believe that good corporate governance policies should consider the impact of company operations on the environment and the cost of compliance with laws and regulations relating to environmental matters, physical damage-

to the environment (including the costs of clean-ups and repairs), consumer preferences and capital investments related to climate change. Furthermore, we believe that corporate shareholders have a legitimate need for information to enable them to evaluate the potential risks and opportunities that climate change and other environmental matters pose to the company's operations, sales and capital investments. We acknowledge that many companies disclose their practices relating to social and environmental issues and that disclosure is improving over time. We generally encourage a level of reporting that is not unduly costly or burdensome and which that does not place the company at a competitive disadvantage; but which that provides meaningful information to enable shareholders to evaluate the impact of the company's environmental policies and practices on its financial performance.

With regard to social issues, among other factors, we consider the company's labor practices, supply chain, how the company supports and monitors those issues, what types of disclosure the company and its peers currently provide; and whether the proposal would result in a competitive disadvantage for the company.

In evaluating how to vote environmental proposals, considerations may include, but are not limited to, the following:

Issuer Considerations

- Assetasset profile of the company, including whether it is exposed to potentially declining demand for the company's products or services due to environmental considerations;
- capital deployment of the company;
- cost structure of the company, including its position on the cost curve, expected impact of future carbon tax and exposure to high fixed operating costs;
- corporate behavior of the company, including whether senior management is incentivized for long-term returns;
- demonstrated capabilities of the company, its strategic planning process; and past performance;
- current level of disclosure of the company and consistency of disclosure across its industry; and
- whether the company incorporates environmental or social issues in a risk assessment or risk reporting framework.

Proposal Considerations

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- ~~would~~Would adoption of the proposal inform and educate shareholders and have companies that adopted the proposal provided insightful and meaningful information that would allow shareholders to-
→ evaluate the long-term risks and performance of the company?
- ~~does~~Does the proposal require disclosure that is already addressed by existing and proposed mandated regulatory requirements or formal guidance at the local, state or national level or the company's existing disclosure practices?
~~the local, state, or national level or the company's existing disclosure practices~~
- ~~does~~Does the proposal create the potential for unintended consequences, such as a competitive disadvantage-?

In general, we support management disclosure practices that are overall consistent with the goals and ~~objective~~objectives expressed above. Proposals with respect to companies that have been involved in controversies, fines or litigation are expected to be subject to heightened review and consideration.

Vote against ~~the~~ chair of ~~the~~ committee responsible for providing oversight of environmental matters and/or risk where we believe the company is lagging peers in terms of disclosure, business practices or targets. Vote against committee members, ~~the~~ lead independent director and/or board chair for companies that have lagged over several years.

An engaged and diverse employee base is integral to a company's ability to innovate, respond to a diverse customer base and engage with diverse communities in which the company operates, thus delivering shareholder returns. JPMAM will generally support shareholder resolutions seeking the company to disclose data on workforce demographics, including diversity, and release of EEO-1 or comparable data, where such disclosure is deemed inadequate.

We expect engaged ~~Boards~~boards to provide oversight of ~~Human Capital Management~~ human capital management ("HCM"), that is, a company's management of its workforce, including human resources policies (including code of conduct), use of full-time versus part-time employees, workforce cost, employee engagement and turnover, talent development, retention and training, compliance record, and health and safety. JPMAM will vote case-by-case ~~record, and health and safety~~. JPMAM will vote case-by-case on shareholder resolutions seeking disclosure of HCM. JPMAM will generally vote against shareholder proposals seeking HCM information ~~which~~that is considered confidential or sensitive information by the ~~Board~~board.

A. Military Business

Vote case-by-case on defense issue proposals.

Vote case-by-case on disclosure reports that seek additional information on military-related operations.

B. International ~~Labor~~Labour Organization Code of Conduct

Vote case-by-case on proposals to endorse ~~international labor organization code~~the International Labour Organization's codes of ~~conducts~~conduct.

Vote case-by-case on disclosure reports that seek additional information on company activities in this area.

C. Promote Human Rights

Vote case-by-case on proposals to promote human rights.

Vote case-by-case on disclosure reports that seek additional information on company activities regarding human rights.

D. Equal Employment Opportunity and Discrimination

Vote case-by-case on proposals regarding equal employment opportunities and discrimination.

Vote case-by-case on disclosure reports that seek additional information about affirmative action efforts, particularly when it appears that companies have been unresponsive to shareholder requests.

E. Animal Rights

Vote case-by-case on proposals that deal with animal rights.

F. Product Integrity and Marketing

Vote case-by-case on proposals that ask companies to end their production of legal, but socially questionable, products.

Vote case-by-case on disclosure reports that seek additional information regarding product integrity and marketing issues.

Vote case-by-case on resolutions requesting the disclosure and implementation of ~~internet~~internet privacy and censorship policies and procedures.

Vote case-by-case on proposals requesting the company to report on its policies, initiatives/ procedures, ~~and~~ oversight mechanisms related to toxic materials, including certain product-line toxicities, and/ or product safety in its supply chain.

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G. Human Resources Issues

Vote case-by-case on proposals regarding human resources issues.

Vote case-by-case on disclosure reports that seek additional information regarding human resources issues.

H. Link Executive Pay with Social and/or Environmental Criteria

Vote case-by-case on proposals to link executive pay with the attainment of certain social and/or environmental criteria.

Vote case-by-case on disclosure reports that seek additional information regarding this issue.

I. High-Risk Markets

Vote case-by-case on requests for the company to review and report on the financial and reputation risks associated with operations in “high-risk” markets, such as a terrorism-sponsoring state or otherwise.

J. Political Contribution

Generally, vote against proposals asking the company to affirm political non-partisanship in the workplace.

Vote against proposals to publish the company’s political contributions, taking into consideration recent, significant controversies, fines or litigation regarding the company’s political contributions or trade association spending.

K. Climate Risk

Many economies are responding to climate change with regulations as well as policies to drive decarbonization.

In our view, climate change has become a material risk to the strategy and financial performance of many companies.

JPMAM may vote against directors serving on relevant committees of companies that, in our opinion, face material climate-related transition or asset risks, where such disclosures are not available or where we believe such disclosures are not meaningful. JPMAM may also vote for shareholder resolutions requesting such information where the company has not provided such disclosure.

To provide shareholders with meaningful disclosures on how the company is addressing risks related to climate change:

- We encourage disclosures aligned with the reporting framework developed by the Task Force on Climate-related Financial Disclosures ("TCFD") addressing all the four pillars of the TCFD – (i) governance, (ii) strategy, (iii) risk management and (iv) metrics and targets related to any performance indicators used to manage such risks. The TCFD report (or equivalent) should address whether decarbonization of the company's operations or its supply chain is a material part of its strategy to mitigate climate change risks, including transition risks to the company, and, if so, provide a narrative on how the company plans to do so and over what time frame.
- For industries where we believe climate change risks pose material financial risks, we encourage comprehensive TCFD reporting (or equivalent), including scenario analysis to help us understand the resilience of a company's strategy. While we recognize that some disclosures related to scenario analysis, especially granular data at the asset level, may involve sensitive information that companies will not disclose if such disclosures could harm the company, we expect the company to provide its conclusions from these analyses as they pertain to the resilience of the company's strategy.
- We encourage disclosures of Scope 1 and 2 greenhouse gas emission targets where decarbonization of a company's operations and purchased energy has been identified by the company as a key part of company's strategy to manage climate change risks.

· We note many companies have chosen to set long-term net-zero targets. In order for us to evaluate the long-term credibility of transition plans, where such long-term targets are set, we encourage the company to disclose the scope of emissions included in such targets. We recognize the many challenges associated with reporting Scope 3 emissions. While we understand the limitations associated with reporting Scope 3 emissions, we would expect companies that have included such emissions in their net-zero targets to disclose their Scope 3 emissions. We also expect disclosures of interim emission-reduction targets where the company has set long-term net-zero targets.

· We encourage disclosure on past performance against emission-reduction goals and a forward-looking strategy to achieve emission-reduction goals, including use of offsets and corporate transactions.

The board of directors is critical in formulating and executing company strategy. While we do not support the use of shareholder proposals to diminish the authority of the board, if the board recommends a vote against a climate-related shareholder proposal, we expect boards to clearly articulate the rationale supporting their recommendation. The board's response should clearly explain why implementation of disclosures or actions requested by the shareholder proposal would be detrimental to shareholder value.

13. Foreign Proxies

Responsibility for voting non-U.S. proxies rests with our Proxy Voting Committees located in London, Tokyo, and Hong Kong. The Proxy Committee is composed of senior analysts and portfolio managers and officers of the Legal and Compliance Department.

14. Pre-Solicitation Contact

From time to time, companies will seek to contact analysts, portfolio managers and others in advance of the formal proxy solicitation to solicit support for certain contemplated proposals. Such contact can potentially result in the recipient receiving material non-public information and result in the imposition of trading restrictions. Accordingly, pre-solicitation contact should occur only under very limited circumstances and only in accordance with the terms set forth herein.

What is ~~material non-public~~Material Non-Public information?

The definition of material non-public information is highly subjective. The general test, however, is whether or not such information would reasonably affect an

investor's decision to buy, sell or hold securities, or whether it would be likely to have a significant market impact. Examples of such information include, but are not limited to:

- a pending acquisition or sale of a substantial business;
- financial results that are better or worse than recent trends would lead one to expect;
- major management changes;
- an increase or decrease in dividends;
- calls or redemptions or other purchases of its securities by the company;
- a stock split, dividend or other recapitalization; or
- financial projections prepared by the ~~Company~~company or the ~~Company's~~company's representatives.

What is ~~pre-solicitation contact~~ Pre-Solicitation Contact?

Pre-solicitation contact is any communication, whether oral or written, formal or informal, with the

~~Company~~ company

or a representative of the ~~Company~~ company regarding proxy proposals prior to publication of the official proxy solicitation materials. This contact can range from simply polling investors as to their reaction to a broad topic, e.g., “How do you feel about dual classes of stock?” to very specific inquiries, e.g., “Here’s a term sheet for our restructuring. Will you vote to approve this?”.

Determining the appropriateness of the contact is a factual inquiry ~~which~~ that must be determined on a case-by-case basis. For instance, it might be acceptable for-

us to provide companies with our general approach

to certain issues. Promising our vote, however, is prohibited under all circumstances. In the event that you are contacted in advance of the publication of proxy solicitation materials, please notify the

Proxy Administrator immediately. The

~~Company~~ company or its representative should be instructed that all further contact should be with the Proxy Administrator. The Proxy Administrator will make the determination to contact the ~~Legal/Compliance~~ legal/compliance departments if needed.

It is also critical to keep in mind that as a fiduciary, we exercise our proxies solely in the best interests of our clients. Outside influences, including those from within

~~J.P. Morgan~~ JPMorgan Chase, should not interfere in any way in our decision-making process. Any calls of this nature should be escalated by the Proxy Administrator to the ~~Legal/Compliance~~ Department legal/compliance department.

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