

PAYDEN & RYSEL GLOBAL LIMITED

SHAREHOLDER RIGHTS DIRECTIVE II - ENGAGEMENT POLICY

28 JANUARY 2025

This statement explains how Payden & Rygel Global Limited (the “**Firm**”), complies with its obligations under the revised Shareholder Rights Directive (“**SRD II**”) with regard to shareholder engagement with public companies, as required by the FCA rules at COBS 2.2B.5R.

Scope of voting activities

The requirements of SRD II apply to an investment firm regulated under the Markets in Financial Instruments Directive II only to the extent it is investing in shares traded on a regulated market (or on a comparable market outside the EEA). The Firm’s regulated business activity is to act as investment manager for separately managed accounts and for Payden Global Funds plc UCITS sub-funds in predominately fixed income investments. As such, we are engaged to a limited degree in investment management in equity securities (i.e., shares within scope of COBS 2.2B) on behalf of our clients. Nevertheless, the Firm does seek to engage with investee companies both in respect of its fixed income and public equities’ investment management. In addition to the exercise of voting rights where these are applicable, we approach engagement and stewardship through both ongoing due diligence research/meetings with corporate management and the new issue channel. Details of the manner in which the Firm together with its parent entity, Payden & Rygel (referred to collectively as “Payden”), conducts such engagement are set out in the Payden ESG Engagement Policy which is accessible on our website. All assets under management by the Firm are subject to the Payden ESG Engagement Policy.

Monitoring of investee companies

Payden actively monitors and analyses news and events concerning investee companies. The monitoring may encompass strategy, financial and non-financial performance and risk, capital structure, social and environmental impact and corporate governance. In addition to its own internal resources, Payden has engaged Glass Lewis, a specialist investee company monitoring and proxy voting services provider for research and advice that the Payden Proxy Voting Committee will take into consideration.

Dialogue with investee companies

It is Payden policy to engage with numerous investee companies (both private sector corporates and quasi-sovereigns) each year as part of our normal course of business. We differentiate our firm-wide engagement activity into types - integrated and targeted - to better navigate the topics, priorities, and purpose for engagement conducted.

Integrated engagement involves discussions with management. Integrated engagement focuses on factors that may impact financial, operating, or macroeconomic performance. The topics and relevance to issuers are decided by fundamental research teams and may help inform valuations.

Targeted engagements involve discussions with management on specific Environmental, Social and Governance (“ESG”) themes aligned to support long-term value creation / protection or reflect the values of those on whose behalf we invest. We base our targeted engagements on the SASB Engagement Guide, a standardized, industry-specific framework aimed at driving issuer transparency. We monitor the number of meetings we conduct with issuers’ teams. Our engagement activity and discussions are an important part of our analysis. This engagement may include in-person and conference call meetings, as well as through meeting with management through conferences. Not only do these discussions enhance our analysis, they also provide an avenue for us to promote ESG values to issuers where this has been requested by our investors.

Exercise of shareholder rights

The Payden Proxy Voting Committee’s remit is to consider any issues related to proxy matters. The committee regularly engages with Payden’s proxy voting firm (Glass Lewis) to make sure they are considering ESG in their voting recommendations. Where the Firm has been engaged as investment manager for EU-domiciled collective investment schemes to manage investments so that they can be

designated as Article 8 financial products pursuant to the Sustainable Finance Disclosure Regulation (EU 2019/2088) Payden has mandated Glass Lewis to make voting recommendations in accordance with its ESG Thematic Voting Policy. For ballot items that are routine in nature, Payden has set parameters that are listed in a template used by Glass Lewis. For items that are more complicated in nature, such as shareholder proposals, Glass Lewis will provide research and advice that the Payden Proxy Voting Committee will take into consideration when determining its voting decisions. When evaluating proxy matters, the Payden Proxy Voting Committee will vote in a manner that is consistent with the best interest of the client and does not subordinate the client's interests to its own. Payden does not automatically vote with management. We leverage the expertise of Glass Lewis in evaluating whether any particular shareholder voting entitlement would be regarded as significant and in escalating these matters for further analysis. Very broadly, matters that require a special majority/special resolution are not likely to be routine matters and thus are likely to be significant voting event. Similarly, shareholder circulars can also be an indicator that a matter should be regarded as significant.

Annual disclosure

The Firm makes annual disclosure by means of the Payden UK Stewardship Code Report published its website of the following information on a retrospective basis: (i) a general description of the Firm's voting behaviour; (ii) an explanation of the most significant votes; and (iii) report on the use of the services of proxy advisors.

Cooperation with other shareholders and stakeholders of investee companies

The degree to which the Firm cooperates with other shareholders and communicates with stakeholders of investee companies on engagement is set out in the Payden ESG Engagement Policy.

Conflicts of interest

Any potential or actual conflict of interest pertaining to engagement in investee companies is subject to the Firm's Conflicts of Interest Policy.

Disclosure to SRD Institutional Investors

The Firm satisfies its obligations in COBS 2.2B9 through the publication annually of its UK Stewardship Code Report.

Supervision and review

This Policy is reviewed annually by the Firm's Board of Directors, and more frequently should the need arise. The Firm's Board of Directors authorises the Compliance Officer to make disclosure in accordance with this Policy to relevant stakeholders.