

# Proxy Voting Policy and Procedures for Exchange Traded Funds



## ETF Unit

Mirae Asset Global Investments (Hong Kong) Limited

### 1. POLICY

Mirae Asset Global Investments (Hong Kong) Limited (“**Mirae Asset**” or the “**Company**”) views proxy voting as an integral part of its ownership responsibilities. This Proxy Voting Policy and Procedures for Exchange Traded Funds (the “**Policy**”) has been adopted and implemented by Mirae Asset to ensure that it votes proxies for its exchange traded funds (the “**ETFs**”) in the best interests of clients. All proxies for which the Company has been granted voting authority shall be voted in accordance with this Policy.

This Policy applies to the ETFs listed in Appendix 1.

### 2. ETF PROXY OVERSIGHT COMMITTEE

Mirae Asset’s ETF Proxy Oversight Committee (the “**Committee**”) is responsible for overseeing the Company’s proxy voting activities related to the ETFs. The Committee shall review the adequacy of this Policy at least on an annual basis to ensure they continue to be reasonably designed to ensure that proxies are voted in the best interests of the Company’s clients, and they are consistent with regulatory requirements, industry best practices and governance and ESG trends. The Committee shall also review the proxy voting guidelines adopted by the Company (the “**Guidelines**”) on an annual basis and decide whether any changes are necessary. The Committee is comprised of the Chief Executive Officer, Chief Operating Officer and the Head of Asia ETFs of the Company.

### 3. PROCEDURES FOR VOTING PROXIES

In order to meet its proxy voting obligations, Mirae Asset has retained proxy voting-related services provided by the custodians of the ETFs, including access to ProxyEdge, an electronic voting application designed to streamline the voting process. The portfolio managers of the Company’s ETF Unit are responsible for conducting voting through ProxyEdge, whilst other teams within the Company such as the Fund Operations Team provide support in terms of operational implementation, reconciliation of share positions and record retention. Mirae Asset reserves the right to leverage its internal capabilities as well as services provided by third-party service providers to vote proxies automatically for matters that are clearly addressed by the Guidelines.

To further assist in its responsibility for voting proxies, Mirae Asset retains an independent third-party proxy advisor to provide research and voting recommendations as well as services designed to assist with investee company engagement activities. The voting recommendations provided by the third-party proxy advisor (the “**Voting Recommendations**”), which are based on the Guidelines, are accessed by the Company through ProxyEdge as well as a research platform developed and maintained by the third-party proxy advisor. Prior to the retention of the third-party proxy advisor and periodically after retention, the Company shall ensure that the advisor is independent from Mirae Asset, possesses the capacity and competency to adequately analyse proxy issues, and is able to discharge its services in an impartial manner and in the best interests of the Company’s clients. Mirae Asset shall also review the third-party proxy advisor’s conflict of interest policies and procedures and the effectiveness of the implementation of such policies and procedures.

The custodians and the third-party proxy voting advisor are subject to regular performance reviews conducted by the Company. At least on an annual basis,

the Company will perform an assessment of the service providers’ capabilities in terms of personnel, technology and internal controls.

The portfolio managers of the Company’s ETF Unit retain full discretion with respect to proxy voting decisions. In most cases, votes will be determined in accordance with the Guidelines and the Voting Recommendations. However, there may be circumstances when after consideration of clients’ best interests, the portfolio managers depart from the Guidelines and Voting Recommendations. Any determinations made by the portfolio manager will be documented and maintained in the Company’s records. The portfolio managers may also elect to abstain from voting if it is deemed to be in clients’ best interests. The rationale for abstention will be documented and maintained in the Company’s records. Whilst it is the policy of Mirae Asset to vote all proxies, there may be certain circumstances where the Company refrains from voting, for example where the economic costs of voting outweigh the potential benefits to clients.

On a semi-annual basis, the Committee shall perform a review of proxy voting activities to determine whether the portfolio managers are voting in accordance with the Policy. The Committee shall also review cases where the portfolio managers exercised discretion with respect to proxy voting decisions as well as cases where they elected to abstain or refrain from voting. The rationales provided by the portfolio managers will be considered to assess whether they are consistent with clients’ best interests. Any material errors or inconsistencies that are identified shall be reported as appropriate to the Company’s Board of Directors, relevant teams within the Company such as the Compliance Team as well as stakeholders of the ETFs.

### 4. PROXY VOTING GUIDELINES

Mirae Asset’s Guidelines cover an extensive list of common voting issues. In terms of governance, the Guidelines are based on the four core tenets of accountability, stewardship, independence and transparency, and aim to promote long-term shareholder value creation and risk mitigation by supporting responsible corporate governance practices. The Guidelines take into consideration relevant laws, customs and best practice codes of each market and region.

- **Accountability:** Boards should be accountable to shareholders by holding regular board elections, by providing sufficient information for shareholders to be able to assess directors and board composition, and by providing shareholders with the ability to remove directors. Directors should respond to investor input such as those expressed through vote results on management and shareholder proposals and other shareholder communications. Shareholders should have meaningful rights on structural provisions, such as approval of or amendments to the corporate governing documents and a vote on takeover defenses. In addition, shareholders’ voting rights should be proportional to their economic interest in the company - each share should have one vote. In general, a simple majority vote should be required to change a company’s governance provisions or to approve transactions.
- **Stewardship:** A company’s governance, social, and environmental practices should meet or exceed the standards of its market



regulations and general practices, and should take into account relevant factors that may impact significantly the company's long-term value creation. Issuers and investors should recognize constructive engagement as both a right and responsibility.

- **Independence:** Boards should be sufficiently independent so as to ensure that they are able and motivated to effectively supervise management's performance and remuneration for the benefit of all shareholders. Boards should include an effective independent leadership position and sufficiently independent committees that focus on key governance concerns such as audit, compensation and the selection and evaluation of directors.
- **Transparency:** Companies should provide sufficient and timely information that enables shareholders to understand key issues, make informed vote decisions, and effectively engage with companies on substantive matters that impact shareholders' long-term interests in the company.

In terms of sustainability, the Guidelines support standards-based ESG shareholder proposals that enhance long-term shareholder and stakeholder value while aligning the interests of the company with those of society at large. The Guidelines support social and environmental proposals that seek to promote good corporate citizenship and particular focus is placed on resolutions seeking greater transparency and/or adherence to internationally recognized standards and principles. In determining votes on shareholder on social and environmental proposals, the following factors are considered:

- Whether the proposal itself is well framed and reasonable;
- Whether adoption of the proposal would have either a positive or negative impact on the company's short-term or long-term share value;
- The percentage of sales, assets and earnings affected;
- Whether the company has already responded in some appropriate manner to the request embodied in a proposal;
- Whether the company's analysis and voting recommendation to shareholders is persuasive;
- What other companies have done in response to the issue;
- Whether there are significant controversies, fines, penalties, or litigation associated with the company's environmental or social practices; and
- Whether implementation of the proposal would achieve the objectives sought in the proposal.

In terms of climate change, the Guidelines generally recommend to:

- Vote for shareholder proposals seeking information on the financial, physical or regulatory risks it faces related to climate change on its operations and investments or on how the company identifies, measures and manages such risks;
- Vote for shareholder proposals calling for the reduction of GHG emissions;
- Vote for shareholder proposals seeking reports on responses to regulatory and public pressures surrounding climate change and for disclosure of research that aided in setting company policies around climate change; and
- Vote for shareholder proposals requesting a report/disclosure of goals on GHG emissions from company operations and/or products.

## 5. CONFLICTS OF INTEREST

Mirae Asset recognizes that in certain circumstances a conflict of interest may arise when voting a proxy. All conflicts of interest will be presented to the Committee, which will be responsible for determining how to handle each conflict on a case-by-case basis. All conflicts and the Committee's determination for each will be documented in the Company's records.

## 6. RECORDKEEPING AND CLIENT REPORTING

Mirae Asset shall maintain voting records in electronic format for at least 7 years and shall make available proxy voting records upon request. The Company reserves the right to restrict disclosure where appropriate, for example, disclosure of voting records to a client of an ETF may only cover the period during which such client was invested in the relevant ETF.



## GLOBAL X ETF SERIES

Stock Code	Sub-Fund
3110	Global X Hang Seng High Dividend Yield ETF (HKD)
3040	Global X MSCI China ETF (HKD)
3127	Global X CSI 300 ETF (HKD)
83127	Global X CSI 300 ETF (RMB)
2820	Global X China Biotech ETF (HKD)
9820	Global X China Biotech ETF (USD)
2826	Global X China Cloud Computing ETF (HKD)
9826	Global X China Cloud Computing ETF (USD)
3029	Global X Hang Seng ESG ETF (HKD)
3006	Global X Metaverse Theme Active ETF (HKD)
3139	Global X Electric Vehicle and Battery Active ETF (HKD)

## GLOBAL X EXCHANGE TRADED FUNDS SERIES OFC

Stock Code	Sub-Fund
2845	Global X China Electric Vehicle and Battery ETF (HKD)
9845	Global X China Electric Vehicle and Battery ETF (USD)
2809	Global X China Clean Energy ETF (HKD)
9809	Global X China Clean Energy ETF (USD)
2806	Global X China Consumer Brand ETF (HKD)
9806	Global X China Consumer Brand ETF (USD)
3191	Global X China Semiconductor ETF (HKD)
9191	Global X China Semiconductor ETF (USD)
2807	Global X China Robotics and AI ETF (HKD)
9807	Global X China Robotics and AI ETF (USD)
3050	Global X China Global Leaders ETF (HKD)
3124	Global X China E-commerce and Logistics ETF (HKD)
3117	Global X China Games and Entertainment ETF (HKD)
3058	Global X China Innovator Active ETF (HKD)
3119	Global X Asia Semiconductor ETF (HKD)
3185	Global X FinTech ETF (HKD)
2849	Global X Autonomous and Electric Vehicles ETF (HKD)
3051	Global X Asia Innovator Active ETF (HKD)