



Public Disclosure of Policies Based on the Japan Stewardship Code

As of August 27, 2014, GAMCO Investors, Inc. (hereafter “GAMCO”) accepts the “Principles for Responsible Institutional Investors,” Japan’s Stewardship Code (hereafter “The Code”), and discloses its policies based on the Code’s seven key principles for responsible institutional investors.

The Code, as published by the Financial Services Agency in February 2014, mandates institutional investors to pursue a higher medium- to long-term investment return for their clients and beneficiaries by improving and fostering the investee companies’ corporate value and sustainable growth through constructive engagement, or purposeful dialogue, based on in-depth knowledge of the companies and their business environment (Japan Stewardship Code, FSA, 2014).

GAMCO agrees that the ‘stewardship responsibilities’ are an important contribution to good corporate governance and that the Code is a definitive statement of best practice on investment managers’ engagement with investee companies. GAMCO therefore endorses the principles of the Stewardship Code in Japan, and is fully committed to them as they intend to protect the integrity of clients’ assets and enhance long term value for all shareholders.

Principle 1

Institutional investors should have a clear policy on how they fulfill their stewardship responsibilities, and publicly disclose it.

Gabelli Japan, K.K. is a wholly owned subsidiary of GAMCO Investors, Inc. (“GAMCO”)(NYSE: GBL). As a publicly traded company, GAMCO adheres to a myriad of disclosure and corporate governance rules and regulations including an independent Board of Directors, audited financial statements and a published Code of Ethics. As a financial services company GAMCO’s primary businesses involves the buying and selling of publicly traded companies based on the investment methodology created by Mario Gabelli in 1977 and known as Private Market Value with a Catalyst™. In May of 1988 GAMCO published the “Magna Carta of Shareholders Rights” to outline GAMCO’s position on certain corporate governance matters. The same principles published by GAMCO apply to Gabelli Japan K.K. A copy of the “Magna Carta of Shareholders Rights” can be found at the attached link.

[\[http://www.gabelli.com/Gab_pdf/magnacarta092403.pdf\]](http://www.gabelli.com/Gab_pdf/magnacarta092403.pdf)

In the interest of generating superior risk-adjusted returns for our clients and beneficiaries, GAMCO pursues an active investment process focused on fundamental bottoms-up research. Our analysts follow industries on a global basis, developing an operational understanding of each company and effectively becoming an industry expert. The analysts hone this expertise by continually visiting and speaking with company management, suppliers, competitors, and customers.

Principle 2

Institutional investors should have a clear policy on how they manage conflicts of interest in fulfilling their stewardship responsibilities and publicly disclose it.

As a fiduciary, we have an undivided duty to put our clients' interests first. GAMCO, including Gabelli Japan K.K., has adopted a comprehensive Code of Business Conduct and Ethics ("Code of Ethics") to help meet these obligations. As expressed throughout the Code of Ethics, we place the interests of our clients first and attempt to avoid any perceived or actual conflicts of interest. GAMCO aims to ensure that all potential and actual conflicts are identified, evaluated, managed, monitored and recorded.

For example, a conflict of interest may arise when voting a proxy solicited by an issuer with whom we or an employee has another business relationship. Similarly, we may have a potential conflict of interest when deciding how to vote on a proposal supported by a shareholder group that is also a client. In order to avoid any perceived or actual conflict of interest, the procedures set forth in our Proxy Voting Policy have been established for use when we encounter a potential conflict to ensure that voting decisions are based on our clients' best interests and are not the product of a conflict. The Firm's publishes its proxy voting Guidelines which may be found at the attached link.

[\[http://www.gabelli.com/corporate/proxy.html\]](http://www.gabelli.com/corporate/proxy.html)

Principle 3

Institutional investors should monitor investee companies so that they can appropriately fulfill their stewardship responsibilities and support the sustainable growth of the companies.

Comprehensive and continuous research and monitoring of investee companies is fundamental to GAMCO's investment process. GAMCO utilizes various research and support tools to meet this principle. Monitoring includes analyzing financial information, such as earnings trends and capital structures, as well as non-financial information like management strategies, corporate governance, social responsibilities and risk. Such data is acquired by accessing disclosure material, holding meetings and appropriately engaging with investee companies during shareholder meetings.

GAMCO's Private Market Value with a Catalyst™ investment process builds in a 'margin of safety'. The margin of safety serves to minimize loss of shareholder value. As mentioned in Principle 1 above, GAMCO publishes its "Magna Carta of Shareholder Rights" to provide clients and portfolio companies the expectations the firm has for portfolio companies' corporate governance.

Principle 4

Institutional investors should seek to arrive at an understanding in common with investee companies and work to solve problems through constructive engagement with investee companies.

As part of GAMCO's investment strategy, GAMCO seeks to build effective relationships with management at the companies in which it invests. GAMCO will generally look to invest in companies that it believes to be well managed. As part of the research and monitoring process, GAMCO routinely

communicates with Management and attempts to have an open dialogue with portfolio companies as to ways in which GAMCO believes the company can add value for shareholders.

Principle 5

Institutional investors should have a clear policy on voting and disclosure of voting activity. The policy on voting should not be comprised only of a mechanical checklist; it should be designed to contribute to sustainable growth of investee companies.

GAMCO, through its subsidiaries (the “Advisers”), acts as investment adviser to mutual funds, institutional and individual investors. The Advisers generally have voting discretion over the securities held in their clients’ accounts unless a client wishes to vote their own proxies. It is the policy of the Advisers to vote neither *for* nor *against* management, but in the best interest of shareholders. Each proxy statement is evaluated on its own merits within the framework first outlined by our “Magna Carta of Shareholders Rights” in May 1988.

The Advisers exercise proxy voting discretion on proposals in accordance with GAMCO’s “Proxy Guidelines” and set forth in our Proxy Voting Policy.

A Proxy Committee comprised of senior representatives of GAMCO and its affiliated investment advisers has the responsibility for the content, interpretation and application of the Proxy Guidelines. In general, the Director of Proxy Voting Services will use the Proxy Guidelines, recommendations of Institutional Shareholder Corporate Governance Service (ISS), information from other third-party services, and research analyst opinions to determine how to vote on each issue.

Each matter submitted to the Committee will be determined by the vote of a majority of the members present at the meeting. Should the vote concern one or more recommendations that are deadlocked in a vote of the Committee, the Chairman of the Committee will break the tie. The Committee will notify the proxy department of its decisions and the proxies will be voted accordingly.

Principle 6

Institutional investors in principle should report periodically on how they fulfill their stewardship responsibilities, including their voting responsibilities, to their clients and beneficiaries.

GAMCO is aware of its duties and accountability to its clients on the management and protection of their assets. GAMCO discloses its corporate governance activities through annual reports, client reports and the “Magna Carta of Shareholder Rights”. These reports give an indication of the stewardship activities carried out during the year by GAMCO.

GAMCO also conducts an annual client meeting to help clients obtain a better understanding of current issues and to highlight GAMCO’s actions to reduce risks and to promote best practices.

Furthermore, the Proxy Voting Department retains a record of matters voted upon by the Advisers for their clients. The Advisers will supply information on how they voted a client’s proxy upon request from

the client. The complete voting records for each registered investment company (the “Fund”) that is managed by the Advisers is filed on Form N-PX for the twelve months ended June 30th no later than August 31st of each year. GAMCO will annually disclose how they vote proxies for Japanese Clients. The following link shows how proxies were voted in 2014 for Japanese companies.

[\[http://www.gabelli.com/corporate/Japan/VotingResults_2016.pdf\]](http://www.gabelli.com/corporate/Japan/VotingResults_2016.pdf)

Principle 7

To contribute positively to the sustainable growth of investee companies, institutional investors should have in-depth knowledge on the investee companies and their business environment and capabilities to appropriately engage with the companies and make proper judgments in fulfilling their stewardship activities.

GAMCO makes use of a number of external resources to deepen its knowledge of investee companies, including daily market news, media, external corporate governance networks, proxy voting advisors, attending industry sanctioned conferences, meeting with management, monitoring the investment community, in depth company level and industry research, and meetings with the in-house investment team.

GAMCO believes it is important for investors and companies to form a trusting, long-term relationship and enter into constructive dialogue on contentious issues. An advantage of collective engagement is a better understanding of views and expectations to form the basis of high-quality decision making and good judgment. GAMCO consistently considers ways for greater collaboration with investee companies for the purpose of upholding the highest corporate governance standards in global financial markets.

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