

VOTING RIGHT POLICY FOR UCITS AND AIF

Based on the legal background explained below, BCB & Partners S.A. (hereafter "BCB") has decided to implement a policy regarding the exercise of the voting rights attached to the securities belonging to the UCITS and AIF portfolios managed by BCB.

LEGAL BACKGROUND

Règlement CSSF N° 10-4 portant transposition de la directive 2010/43/UE de la Commission du 1er juillet 2010 portant mesures d'exécution de la directive 2009/65/CE du Parlement européen et du Conseil en ce qui concerne les exigences organisationnelles, les conflits d'intérêts, la conduite des affaires, la gestion des risques et le contenu de l'accord entre le dépositaire et la société de gestion

Article 23 Strategies for the exercise of voting rights

1. Management companies shall develop adequate and effective strategies for determining when and how voting rights attached to instruments held in the managed portfolios are to be exercised, to the exclusive benefit of the UCITS concerned.

2. The strategy referred to in paragraph (1) shall determine measures and procedures for:

- a) monitoring relevant corporate events;*
- b) ensuring that the exercise of voting rights is in accordance with the investment objectives and policy of the relevant UCITS;*
- c) preventing or managing any conflicts of interest arising from the exercise of voting rights.*

3. A summary description of the strategies referred to in paragraph (1) shall be made available to investors. Details of the actions taken on the basis of those strategies shall be made available to the unitholders free of charge and on their request.

CIRCULAR CSSF 18/698 Re: Authorisation and organisation of investment fund managers incorporated under Luxembourg law Specific provisions on the fight against money laundering and terrorist financing applicable to investment fund managers and entities carrying out the activity of registrar agent

Section 5.5.10. Exercise of voting rights 392.

392. Pursuant to Article 23 of CSSF Regulation 10-4 and Article 37 of Delegated Regulation (EU) 231/2013, the IFM must, among others, develop an adequate and effective strategy for determining when and how voting rights attached to instruments held in the managed portfolios are to be exercised, to the exclusive benefit of the UCI concerned and its investors.

393. Any UCI that has not specifically mandated the IFM to exercise the voting rights attached to the instruments held in its portfolio, must develop its own strategy for the exercise of voting rights.

394. It is also acceptable for an IFM to refer either to the strategies developed in this regard by the

group to which it belongs or to the recognised international standards when developing its own strategy for exercising voting rights. The use of a delegate's strategy, where appropriate, is allowed provided that the IFM ensures during its initial due diligence and ongoing monitoring as referred to in Section 6.2.3. (Initial due diligence and ongoing monitoring of delegates) that the delegate's strategy complies with the provisions of point 392 above.

395. A brief description of this strategy must be made available to investors free of charge, in particular by way of a website.

396. At the moment of its authorisation, the IFM must confirm that an adequate and effective strategy has been put in place permitting the exercise of voting rights attached to the instruments held in the portfolios in the exclusive interest of the UCIs concerned. This procedure must be regularly updated. The CSSF reserves the right to request a copy of this procedure at any time.

The Article 13 of the AIFM Luxembourg law dated 12 July 2013 transposing the 14 of the AIFM Directive

Article 13. Conflicts of interest

(1) AIFMs must take all reasonable steps to identify conflicts of interest that arise in the course of managing AIFs between:

*(a) the AIFM, including its managers, employees or any person directly or indirectly linked to the AIFM by control, and the AIF managed by the AIFM or the investors in that AIF; 4 Law of 27 February 2018 * In the French version "règlement".*

(b) the AIF or the investors in that AIF and another AIF or the investors in that AIF;

(c) the AIF or the investors in that AIF and another client of the AIFM;

(d) the AIF or the investors in that AIF and a UCITS managed by the AIFM or the investors in that UCITS; or

(e) two clients of the AIFM. AIFMs are required to maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps designed to identify, prevent, manage and monitor conflicts of interest in order to prevent them from adversely affecting the interests of the AIFs and their investors. They must segregate, within their own operating environment, tasks and responsibilities which may be regarded as incompatible with each other or which may potentially generate systematic conflicts of interest. They are required to assess whether their operating conditions may involve any other material conflicts of interest and to disclose them to the investors of the AIFs.

(2) Where organisational arrangements made by the AIFM to identify, prevent, manage and monitor conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to investors' interests will be prevented, the AIFM must clearly disclose the general nature or sources of conflicts of interest to the investors before undertaking business on their behalf, and develop appropriate policies and procedures.

(3) Where the AIFM on behalf of an AIF uses the services of a prime broker, the terms must be set out in a written contract. In particular, any possibility of transfer and reuse of AIF assets must be provided for in that contract and must comply with the AIF management regulations or instruments of incorporation. The contract must provide that the depositary be informed of the contract. The AIFM must exercise due skill, care and diligence in the selection and appointment of the prime brokers with whom a contract is to be concluded.

The Article 37 "Strategies for the exercise of voting rights" of the EU Commission Delegated Regulation of 19 December 2012 supplementing the AIFMD

Article 37 - Aggregation and allocation of trading orders

1. *An AIFM shall develop adequate and effective strategies for determining when and how any voting rights held in the AIF portfolios it manages are to be exercised, to the exclusive benefit of the AIF concerned and its investors.*
2. *The strategy referred to in paragraph 1 shall determine measures and procedures for:*
 - a) *monitoring relevant corporate actions;*
 - b) *ensuring that the exercise of voting rights is in accordance with the investment objectives and policy of the relevant AIF;*
 - c) *preventing or managing any conflicts of interest arising from the exercise of voting rights.*
3. *A summary description of the strategies and details of the actions taken on the basis of those strategies shall be made available to the investors on their request.*

VOTING RIGHT POLICY

PURPOSE

The purpose of this Voting Rights Policy (herein “the Policy”) is to lay down the principles guiding BCB in exercising the voting rights attached to securities held in the Fund’s portfolios under its management (herein “the Fund(s)”). BCB will implement this Policy in a view of preserving the interests of the Funds and ensure, that the manner in which the securities are voted on, is both in the best interest of the value of the investment and in adherence to the investment policy (herein “the Investment Policy”) of the Funds.

The aim of this Policy is also to maintain transparency in the decision-making process and disclose to the Funds the details of the decision to exercise voting rights on the underlying positions held by the Funds.

Furthermore, BCB safeguards that the standards set out in this Policy should be flexible with the aim to correspond to the amendments in the Funds’ Investment Policy, markets new trends and any other developments.

SCOPE

This Policy concerns the securities held by the Funds for which BCB has been appointed Investment Manager and for which the board of directors of the Fund did not decide to apply another voting right policy that would be specific to the Fund

POLICY

BCB will instruct the Investment Manager or the Depositary Bank to vote on behalf of the Fund at the annual general meeting or the extraordinary general meeting of the shareholders of a specific security held by the Fund when:

- the position held by the Fund exceeds the detention threshold defined by the European Directive 2004/109/EC and transposed into the national law applicable to that security
- the annual/extraordinary general meeting of the shareholders of the security has to vote on one or several aspects listed below:
- Corporate governance issues, including changes in the statutes of incorporation, merger, and other corporate restructuring, and anti-takeover provisions
- Changes to capital structure, including increases and decreases of capital and preferred stock issuances
- Stock option plans and other management compensation issues
- Social and corporate responsibility issues
- Appointment and removal of Directors
- Any other issue that may significantly affect the interests of the Fund. If the position held by the Fund does not exceed the afore-mentioned threshold, BCB may abstain from voting.

When exercising the voting rights, BCB will act exclusively in the best interest of the Fund and its investors, in accordance with the investment objectives of the Fund and in such a way as to prevent conflicts of interest.

BCB will act on a best effort basis and, provided the relevant information on the voting possibility is publicly available and made available to BCB by the Depositary Bank of the Fund.

RESPONSIBILITY FOR ADHERENCE TO THE POLICY

BCB may request the opinion of third parties such as the delegated investment manager, the investment advisor, the members of the board of directors of the Fund regarding any matter relating to the exercise of the voting rights.

APPLICATION OF VOTING RIGHTS GUIDELINES

BCB is responsible for updating the Policy with the latest legal recommendations and to review the Policy periodically.

INFORMATION AND COMMUNICATION

This policy is available on the internet site of BCB – www.bcblux.lu. Any person, who can justify a genuine interest in the Funds, may obtain a summary of this Policy free of charge by sending a request to BCB.