

### 1. REGULATORY BACKGROUND

**NATAM Management Company Luxembourg S.A** licensed by the CSSF as Management Company (MANCO) under UCITS law 2010 and AIFM law 2013, has implemented a Voting Right policy in compliance with the following legal and regulatory requirements:

- *Article 23 of the CSSF Regulation N. 10-4*
- *Section 5.2.6.2 of the CSSF Circular 12/546*
- *Article 37 of the AIFM Regulation 231/2013*

### 2. PURPOSE OF THE POLICY

This policy applies to the MANCO and to the appointed investment managers and advisors in the context of managing UCITS/AIFS (jointly hereafter referred to as FUNDS ), and defines the minimum measures and procedures required by the MANCO, when it is responsible to develop a strategy for the exercise of voting rights, to ensure that the voting rights attached to instruments held by the Funds are exercised if and when their exercise aims to maintain or improve the value of the instruments they are attached to.

### 3. STRATEGIES FOR THE EXERCISE OF VOTING RIGHTS

1. The MANCO shall develop adequate and effective strategies for determining when and how any voting rights held in the Funds 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 Funds;
  - (c) exercising of the voting rights if deemed appropriate;
  - (d) 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.

In compliance with the CSSF Regulation 10-04 and Circular 11/508, the MANCO has elaborated a policy for the exercise of the voting rights and is made available to investors on the internet website.

#### **4. EXERCISING VOTING RIGHTS**

The MANCO has established and periodically reviews, a minimum percentage holding under which it has deemed that –for reasons of cost efficiency, is in the best interest of the Shareholders not to exercise its voting rights. Such percentage being at the moment **0.5%** of the equity of any given managed Sub-Fund.

Asset Manager, person usually delegated to exercise the voting, can ask for instruction to the BoD of the MANCO and ask for further written instructions.

Furthermore, a Sub Fund Co-Manager, or a member of the BoD, can – in the best interest of the sub-fund - request a waiver of this limit, justifying the request.

In case of conflict of interest, the Sub-Fund Co-Manager shall declare the conflict to the BOD and ask for further written instructions.

However, as general rule, the Board of Directors abstains from voting in relation with companies that any of its members are in any way connected.

#### **5. VOTING RIGHTS PRINCIPLES**

In every case where voting rights are exercised, the BoD of the MANCO with Circular Resolution, shall delegate a representative, giving the latter voting instructions coherent with the following principles:

**Corporate Governance:** the MANCO will generally vote in favor of the management’s proposed directors in uncontested elections. For contested elections, the MANCO will vote for candidates that, in his opinion, best serve the interests of the concerned Sub-fund. The MANCO will further generally vote in favor of the appointment of external/independent directors at the boards of underlying securities issuers, as usually such directors are beneficial to the development of the relevant securities issuers. The MANCO will oppose to the appointment of any director whom the MANCO or the MANCO himself considers as unsuitable on the basis of his experience or qualifications.

**Takeover Defense and Related Actions:** all proposals will be reviewed on a case by case basis, taking into consideration elements such as the profitability and the best interest of the Fund.

**Mergers/Acquisitions:** all proposals will be reviewed on a case by case basis, taking into consideration elements such as the profitability and the best interest of the Fund.

**Directors/Employee compensation:** the MANCO believes that the directors/employee compensations (including bonuses and other extraordinary incentive provisions) are part of the ordinary business and will generally vote in favor of directors/employee compensations at the level of underlying securities issuers. The MANCO shall take into consideration the economic position of the security issuer and the rationale behind the relevant directors/employee compensation proposals when deciding how to vote on any such matter.

**Capital Structure:** in the absence of unusual circumstances, the MANCO will vote in favor of proposed increases in authorized capital. Any proposal which involves the issuance of preferred shares or which gives the directors of the security issuer the authority to assign disproportionate voting rights at the time the securities are issued will be subject to reinforced review prior to approval. When deciding how to vote on any proposed restructuring or recapitalization, the MANCO shall consider whether the proposed action is the best means of enhancing value for the sub-fund holding the securities and will positively affect the security issuer's long term prospects.

**Compliance with investment objective / policy of the Sub-funds:** as anticipated, the MANCO, when exercising voting rights in relation to securities held by the Sub-funds, shall always exercise such voting rights in compliance with the investment objective and policy of the relevant sub-fund.

The MANCO mandate systematically to implement the same measures and procedures for the funds managed by third party investment managers and always retain the right to instruct or advise on how to vote.