

Strategy for the exercise of voting rights

In compliance with the CSSF Regulation 10-04, the Sicav has elaborated a policy for the exercise of the voting rights. In accordance with the Law and CSSF Circular 11/508, an abstract of the procedures described in this section are briefly made available to investors on the internet website, and additional details will be made available for free upon simple request.

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

The Board of Directors has established, and periodically reviews, a minimum percentage holding under which it has deemed that – for reasons of cost efficiency - it 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 Sub Fund.

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

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

Corporate Governance: the SICAV will generally vote in favour of the management's proposed directors in uncontested elections. For contested elections, the Fund will vote for candidates that, in his opinion, best serve the interests of the concerned Sub-fund. The SICAV will further generally vote in favour 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 SICAV will oppose to the appointment of any director whom the Fund or the SICAV himself considers as unsuitable on the basis of his experience or qualifications.

Takeover Defence 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 SICAV believes that the directors/employee compensations (including bonuses and other extraordinary incentive provisions) are part of the ordinary business and will generally vote in favour of directors/employee compensations at the level of underlying securities issuers. The SICAV 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 SICAV will vote in favour 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 SICAV 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 SICAV, 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.