



VOTING RIGHTS POLICY

Fondaco Lux S.A.

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INTRODUCTION

With the aim to comply with applicable laws and regulations, Fondaco Lux S.A. (the 'Company'), a management company authorised as (i) management company under part IV Chapter 15 of the law of 17 December 2010 on undertakings for collective investment (the "**2010 Law**"), and as (ii) alternative investment fund manager under Law of 12 July 2013 on alternative investment fund managers (the "**AIFM Law**"), has defined this policy for the exercise of rights linked to financial instruments within the managed Undertakings for Collective Investment.

The Policy, approved by the Board of the Company (the "Board"), aims to:

- (1) regulate the delegation to Investment Managers of voting proxies relating to securities held by the funds as part of Investment Managers' general management of the funds' assets,
- (2) highlight the responsibility for proxy voting, and
- (3) integrate governance, social and environmental principals in the active participation process of the Company as shareholders via funds managed.

Since the Investment Managers are leading players in asset management, the Investment Managers understand that the proxy voting decisions exercised on behalf of the Funds may affect the value of the same Funds and, consequently, the value of the units held by the subscribers of the Funds (hereinafter the "Subscribers"). Each Investment Manager is committed to fulfilling its fiduciary duty to vote proxies in the sole best interests of the Subscribers.

Investment Managers who are managing the fund portfolio are in the best possible position to cast votes in the most beneficial way for the fund.

Where this policy refers to Investment Managers it shall be understood as referring to the Management Company where the latter has not delegated the portfolio management activity.

The policy applies to the full range of Regulated/ Lightly Regulated/ Unregulated funds, in whatever legal form the Funds are established (e.g. *fond commun de placement*, *société d'investissement à capital variable*, *société d'investissement à capital fixe*) for which Fondaco Lux S.A. acts as Management Company.

I - THE PRINCIPLES

The principles that regulate the Policy are the following:

- the Company exercises the rights to intervene and / or vote only when deemed strictly necessary;
- the Company exercises the rights to intervene and / or vote in the exclusive interest of the Investors and in line with the investment objectives and policy of the funds;

- the Company exercises the rights to intervene and / or vote in the long-term interests of the Investors;
- the Company acts in compliance with the internal procedures that regulate the management of any conflicts of interest;
- the Company exercises the rights to intervene and / or vote in an informed manner;
- the Company retains the documentation which results in the decision-making process followed for the eventual intervention and / or voting exercise and provides information free of charge, upon written request of the Investor, of the conduct held in the meeting;
- the use of delegate's strategy, where appropriate, is allowed provided that the Company ensures during its initial due diligence and ongoing monitoring that the delegate's strategy complies with applicable laws and regulations;
- a copy of this policy is made available to investors free of charge on the Company's website at following link: <https://fondacogroup.it/en/lux/about-us/policies-and-documentation/>

Through the exercise of voting rights, the Company may actively intervene in the governance and in the development of the companies in which the Funds are invested. In taking its voting decision the Company may take into consideration the following elements:

- from a governance point of view, the Company votes should favour transparency and distribution of information, fair treatment of shareholders, development of a fair remuneration principles, corporate board diversification;
- from a social point of view, the Company votes should favour greater transparency on social policies concerning workplace discrimination, human rights, or adherence to internationally recognized standards and codes of conduct;
- from an environmental point of view, the Company votes should favour sustainable business practices and incorporation of sustainability-related performance metrics into the criteria used to evaluate overall profile of the Company, as well as adherence to international norms on environmental protections.

II - PROCEDURE

Where the management of a fund is delegated, delegated Investment Managers shall have the right to exercise any voting or consent rights with respect to the Sub-Funds' investments autonomously and will act with the objective of exercising such proxy voting authority in the best interest of the Sub-Fund, as mentioned in each Investment Management Agreement and anyway in line with above mentioned principles. The Company will perform among others, an ongoing monitoring on delegated Investment Manager policies and applications of the latter when exercising a vote.

The Company may also exercise, after proper communication to the Investment Manager, directly the voting rights for certain sub-funds, following its own procedures and the above-mentioned principles.

For funds managed by the Company that invest in the other UCIs, the following operating procedures are followed:

- the operations and investment team receives from custodian banks/ third party service provider / target funds convening notices containing the agenda of the annual general meeting or the extraordinary general meeting or anyway a notice with details of the decisions to be taken by the investors, together with any further supporting documentation;
- the operations and investment team evaluates, in accordance with the aforementioned principles, whether it is appropriate to exercise the right to intervene and / or vote due to the fund. In particular the team considers:
 - i. the % ownership into the target fund / whether casting a vote makes sense from a cost / benefit perspective;
 - ii. the direct impact of voting decisions / abstention on the investor;
 - iii. whether a quorum is requested for the validity of the deliberation.
- if necessary, a voting is expressed in the form required and as indicated in the notice. There could be the case that a participation to an assembly would be necessary, in this case the investment team decides to participate directly or delegate somebody else, via a proxy voting procedure.

The administrative activities necessary for participation in the meeting are carried out by the operations and investment team of the Company, if necessary, with the collaboration of the legal department. The back-up of convening notices, agenda, communications by Fund Administration office or custodian banks are registered together with a brief explanation of the vote cast / the relative motivation.

III - CONFLICTS OF INTEREST

The Company undertakes to act in compliance with the internal procedures that regulate the management of any conflicts of interest on the basis of current legislation and in any case in compliance with the principles set forth in paragraph I of the Policy.

IV - POLICY UPDATE

The Policy will be reviewed by the Company in the case of regulatory changes, the establishment of products that imply the need for an update or changes in the Company address.