

Policy

Approved by ECAM Board on 26 April 2023

Applicable from 2 May 2023

Voting Rights Policy

1. Background

East Capital Asset Management S.A. (the “**Company**” or “**ECAM**”) is a public limited company governed by the laws of the Grand-Duchy of Luxembourg and licensed by the Commission de Surveillance du Secteur Financier (the “**CSSF**”) as an Alternative Investment Fund Manager, under the Law of 12 July 2013 on alternative investment fund managers (the “**2013 Law**”), as well as a Management Company, under the Law of 17 December 2010 relating to undertakings for collective investments (the “**2010 Law**”).

The Company acts as Management Company and Alternative Investment Fund Manager in respect of Luxembourg-domiciled and Sweden-domiciled funds qualifying as either undertakings for collective investment in transferable securities or alternative investment funds (the “**Funds**”). The Company furthermore acts a portfolio manager in respect to a number of separately managed accounts (the “**Mandates**”) in accordance with Article 101.3(a) of the 2010 Law. The Funds and Mandates are hereafter jointly referred to as the “**Portfolios**”.

The Policy is designed with a view to comply with the requirements set out section 9 requiring the Company to 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 Funds concerned.

In the event that the Company has delegated the investment management of one or more Funds to other companies (“**Investment Managers**”), the Company shall take due care to ensure that the Investment Managers exercise voting rights in line with the principles set out in this Policy.

2. Definitions

“**ESG**” means Environment, Social, and Governance

“**Implicit Sanctions**”: means sanctions extending to entities or individuals which are not specifically named or listed, but which are covered by a narrative statement on a UN, EU or OFAC sanction program, or because they are beneficially owned or controlled by explicitly sanctioned entities or individuals.

“**Sanction**”: means the restrictive measures applied to entities or individuals i) listed on the United Nations, Luxembourg/EU Sanctions lists or the US Office of Foreign Assets Control; or ii) within the scope of sectoral or geographical sanctions by the United Nations, Luxembourg/EU or the US Office of Foreign Assets Control

3. Scope

This Policy specifies how the Company shall exercise voting rights on behalf of Funds or Mandates clients. This Policy shall also determine how to communicate to clients the methods and rationale whereby the Company exercises voting rights.

Furthermore, this Policy determines measures and procedures for:

- a) monitoring relevant corporate events;
- b) ensuring that voting rights are exercised in accordance with the investment objectives and Policy of the relevant Funds;
- c) preventing or managing any conflicts of interests arising from the exercise of voting rights.

Exercising the voting rights in regard to the Mandates shall be governed by the investment management agreement with the respective client. For Mandates without reference to how voting rights should be exercised no voting will be performed unless otherwise instructed by the client.

It should be noted that as the Company itself does not manage any voting activities internally, but has delegated these activities to the Investment Managers, this Policy will not set out how shareholder engagement is integrated in the investment strategy for the Funds. As such, this Policy shall not be interpreted as an engagement policy, as defined in the Shareholders Rights Directive and no public disclosure will be made of the most significant voting activities (as they are not performed by the Company). Notwithstanding this, the Company shall in its oversight of the Investment Managers, include the exercise of voting rights for the Funds and ensure that the delegates have the requisite engagement policies.

4. Fundamental principle

The Company's overarching goal is to create long-term superior risk-adjusted investment return in the Funds under management and, to the extent applicable, as defined in the Funds 'prospectus, to further its ESG objectives. The Company's general fundamental principle is to exercise the voting rights associated with a holding in a manner which is deemed to be in the best interest of the Funds and its investors. The Company, or the relevant Investment Manager, shall always vote in a manner which is in line with a particular Fund's strategy and in the exclusive interest of its investors.

5. Monitoring of corporate events

Investment Managers will monitor and track all the relevant corporate events through the notifications made by the custodian / sub-Custodian of the depository Bank of each Fund. Investment Managers will act on a best effort basis and as long as the relevant information on the voting possibility is publicly available and provided to the Investment Manager by the depository bank of each Fund.

6. Exercising voting rights

6.1. General Principles

The Company manages voting rights with the same level of care and skill as the financial investments. Voting is primarily performed by the Investment Managers via proxy or through a power of attorney issued to a representative that delivers the votes according to the Investment Managers' instructions.

The Investment Managers receive proxy related materials such as notices, agendas and proxy ballots from a range of sources including the issuer, custodians, brokers and other shareholders. The Investment Managers may also use an external proxy voting company that supplies such information as well as executes our voting instructions and keeps record of our voting activity.

In determining if and how the voting rights related to a meeting shall be exercised, the Investment Managers shall consider all available information related to the meeting as well as the Investment Managers' analysis of the specific company. The Investment Manager may also consult with analysts, brokers, lawyers, other shareholders or other relevant parties in order to reach more informed decisions.

There may be situations in which the Investment Managers are unable to exercise the voting rights or may choose not to exercise the voting rights. This includes, but is not limited to, situations where the notice, ballot or meeting materials are not received at all or in ample time; where the costs and practicalities of voting are determined to be disproportionate to the benefits of voting (for example due to significant legal requirements or the size of the holding being limited); where the Company is required, but practically unable, to appear in person at the meeting; where exercising the voting rights would result in the imposition of trading or other ownership restrictions which are seen as unbeneficial to the clients; where proxy voting is not offered by the custodian in that particular market or where proxy voting for other reasons is not deemed to be in the best interest of the clients, or where voting rights are suspended/revoked by applicable laws and regulations.

The Company shall ensure that the Investment Managers document any voting decisions and can motivate why the decisions are in the best interests of the Funds.

It should also be noted, in application of article 48 of the 2010 Law, a management company acting in connection with all of the UCITS funds which it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

6.2. Voting rights in sanctioned entities

No voting rights shall be exercised if it may result in a breach of direct or implicit sanctions.

In particular, exercising voting rights shall not facilitate the circumvention of sanctions; or

the providing of direct or indirect support, or any benefit, to directly or implicitly sanctioned entities or individuals.

7. Oversight of Investment Managers

Prior to establishing any delegation, appropriate due diligences will be conducted by the Company in order to assess, among others, the capacity of the delegated Investment Manager to exercise voting rights in the framework of this Policy.

Once conducted, the delegation will be monitored continuously.

The Company will ensure that delegated Investment Managers develop an effective strategy for determining when and how voting rights attached to instruments held in the managed portfolios are to be exercised.

The Company monitors and documents any action taken on behalf of the Funds.

8. Conflicts of interests

Conflicts of interests may arise when the Company, a Company employee or other related party, including an Investment Manager or its employees, has an interest in an issuer or a related third party that is distinct from the interests of the clients of the Company.

Most often the interests of the clients holding different Funds managed by the Company are aligned and the voting rights will be exercised in a coordinated manner. However, in the event that Funds have conflicting interests, voting rights will be exercised in a manner that is deemed to be in the best interest of the clients of the respective Funds.

The Company's employees shall be attentive to actual or potential conflicts of interests that may arise when exercising voting rights. When encountering situations that might represent such conflicts of interests, the employee shall inform Compliance Officer

All situations representing conflicts of interests shall be handled in accordance with this Policy, the *Conflicts of interest policy* and any other internal Policy or instruction related to the handling of such conflicts, including restrictions set out for, *inter alia*, in the *Personal trading policy*.

In case the routines set out in this and other policies are not sufficient to fully handle a material conflict of interest the matter shall be submitted for review to the Conducting Officers of the Company and, who based on all relevant and available information, will provide a voting recommendation to the investment team.

9. Review of processes

The voting processes will be reviewed in as part of the Company's due diligence measures on the Investment Managers.

10. Disclosures of the exercise of voting rights

The Company shall on at least an annual basis disclose on its website, a summary from the Investment Managers including a general description of the voting behaviour during the relevant period and on any use of proxy advisors for voting activities. This disclosure can also be made by reference to the information at the websites of the Investment Managers.

The Company shall make available information on its website on how votes have been cast in the general meetings of the portfolio companies, unless such votes are insignificant due to the subject matter of the vote or the size of the holding in the portfolio company. For the most significant voting activities, the Company shall also provide explanations for the votes.

11. Responsibilities

Responsibility for the design and implementation of this Policy: Conducting Officers of the Company

Responsibility for the monitoring of this Policy: Compliance Officer of the Company

Responsibility for the annual review of this Policy: Board of Directors of the Company

12. Applicable legal and regulatory requirements

- i. Article 23 of CSSF Regulation N° 10-4 of December 20th, 2010, transposing Commission Directive 2010/43/EU of July 1st, 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council, as regards organizational requirements, conflicts of interest, conduct of business, risk management and content of the agreement between a Depositary and a Management Company, as amended by CSSF Regulation No 22-05 of 27 July 2022.
- ii. Section 5.5.10 of CSSF Circular 18/698 of August 23^d, 2018, regarding authorization and organization of Luxembourg Investment Fund Managers
- iii. Article 37 of European Commission Delegated Regulation (EU) N° 231/2013 of December 19th, 2012, supplementing Directive EC2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision
- iv. Article 3g (1)(b) of Directive 2007/36 of the European Parliament and of the Council of 11 July 2007 on the exercise of certain rights of shareholders in listed companies, as amended by Directive 2014/59/EU and Directive 2017/828/EU ("**Shareholders Rights Directive**")

13. Distribution

This Policy shall be distributed internally within the East Capital Group; external distribution (i.e. to other third parties than those mentioned below) is subject to the decision of the Conducting Officers of the Company.

Furthermore, the Company shall make available appropriate information on this Policy and on any material changes to it to the Funds' shareholders, free of charge and on their request. Specifically, a summary description of the voting right's policy shall be made available to the Funds' shareholders on the Company's Website. Details of the actions taken on the basis of this Policy shall be made available to the Funds' shareholders free of charge and upon request.

Personal contact information

Jean-Christophe Esteve
+352 20 882 194
jean-christophe.esteve@eastcapital.com