



VOTING POLICY WITHIN THE FRAMEWORK OF FUND MANAGEMENT

As part of the implementation
of Shareholder Engagement Policy

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Recital

Montpensier Finance implements processes and organization which aim to comply with the United Nations Principles for Responsible Investment.

The United Nations Principles for Responsible Investment provide an internationally recognised framework for financial institutions.

By adhering to these principles, Montpensier Finance makes a public commitment, as an investor, to adopt and apply them insofar as these are compatible with its responsibilities as an asset manager. Montpensier Finance also undertakes to evaluate the effectiveness and improve the content of the Principles over time. We believe that this will enhance our ability to meet our commitments to beneficiaries and better align our investment activities with the collective interest.

In this context, Montpensier Finance has put in place a stewardship policy, which is composed of a Voting Policy and an Engagement Policy, which apply to the active management of equities and convertible bonds.

This document presents the Voting Policy, regarding conditions under which Montpensier Finance exercises voting rights attached to equities held in the UCIs it manages.

General Principles

Montpensier Finance's stewardship approach is composed of a voting policy and an engagement policy.

Montpensier Finance considers that the exercise of voting rights is an integral part of the investment management process and should be carried out in the best interest of its clients.

Montpensier Finance voting rights policy aims to promote the long-term valuation of its UCITS/AIF investments, by encouraging the best governance practices and promoting professional ethic.

1. Exercise of voting rights - organization

The fund managers analyse unit/shareholder resolutions and decide how to vote. They refer to the principles regarding corporate governance recommendations published by ISS Governance, in its Sustainability Policy.

Montpensier Finance has subscribed to ISS Proxy Research Services, which provides research and voting recommendations, based on independent objective in-depth analysis of unit/shareholder resolutions. ISS Governance publications are framed by ISS Governance's Conflict of Interest Policy. The ISS covers all companies held in the portfolios of the funds managed by Montpensier Finance.

Operational procedures are ensured by the Operations Department in coordination with the UCITS/AIF custodian and ISS Governance.

The Operations Department monitors votes at General Meetings via the ProxyExchange system provided by ISS Governance, an electronic voting platform summarizing the resolutions for the General Meetings of companies in which the UCITS/AIF hold positions. These positions are automatically fed by the custodian, CACEIS.

2. Cases in which voting rights are exercised or not

Portfolio managers exercise the voting rights held by the UCITS/AIF which they manage according to several complementary criteria, provided that they have received the necessary information in order to participate in the vote.

As part of the implementation of the responsible investment principles, Montpensier requires fund managers to vote at General Meetings as often as possible provided that they have sufficient information at their disposal to participate subject to technical impossibilities preventing them from participating in the vote.

➤ **Securities lending:**

Montpensier Finance UCITS/AIF portfolio managers do not undertake securities lending.

In the event of any securities lending being undertaken, best efforts will be settled to recall the securities in order to exercise the voting rights, on condition that the stock loan agreement provides for this, and that the recall of securities does not incur any costs for the UCITS/AIF, which would be against the interest of unit/shareholders.

3. Voting policy principles

Compliance regulations require portfolio managers to carry out their functions independently, particularly with regard to issuers, and in the sole interest of unit/shareholders.

If necessary, portfolio managers may seek advice from the Head of compliance and internal control, who would refer to ISS Proxy Research Services if necessary.

Portfolio managers pay particular attention to resolutions which may prejudice the interests of unit/shareholders.

➤ **Decisions modifying corporate articles**

Portfolio managers shall vote against any modifications to corporate articles which they believe would prejudice unit/shareholders.

➤ **Approval of accounts and appropriation of income**

Portfolio managers shall vote against the approval of accounts which the statutory auditor refuses to certify.

Portfolio managers shall vote against the appropriation of income which they deem to be against the interest of unit/shareholders.

➤ **Nomination and revocation of administrative, management and supervisory bodies**

Portfolio managers shall vote for the nomination of impartial independent administrators, which they deem to be in the interest of unit/shareholders.

➤ **ESG information disclosure**

Fund managers shall vote for propositions and unit/shareholder resolutions promoting ESG information disclosure.

➤ **Related-party agreements**

Portfolio managers shall vote against the approval of related-party agreements which they believe would prejudice unit/shareholders.

➤ **Capital share issues and repurchase programmes**

Portfolio managers shall vote in favour of securities issues and repurchase programmes which they deem to be in the interest of unit/shareholders.

➤ **Appointment of a statutory auditor**

Portfolio managers shall vote against the appointment of a statutory auditor which they deem to be against the interest of unit/shareholders.

4. Conflicts of interest

Portfolio managers shall vote in the interests of unit/shareholders.

If portfolio managers detect a potential conflict of interests, they must consult the Head of compliance and internal control prior to voting, in order to guarantee the primacy of the interests of UCITS/AIF unit/shareholders.

5. Exercise of voting rights

Portfolio managers shall exercise the voting rights attached to shares, held in the UCITS/AIF portfolios that they manage, preferably by correspondence. If they attend the General Meeting, they will care to report their exact voting to the Operations Department. In this case, portfolio managers first ask the Operations Department to obtain the necessary admission cards.

In exceptional circumstances, portfolio managers can opt to vote by proxy or grant proxy to the president, they will beforehand justify their decision and refer to the Head of compliance and internal control.

Information relating to exercise of voting rights is available to Montpensier Finance UCITS/AIF unit holders or shareholders. If Montpensier Finance did not respond, after a period of one month, to a request for information regarding a vote on a resolution, silence has to be interpreted as indicating that Montpensier Finance voted in accordance with the principles posed in this "voting policy" document and the proposals of the Executive Board or the Board of Directors of the Company.