

Voting Rights Policy

December 2021

DOCUMENT STATUS

Policy Last updated (if applicable)	N/A
Policy Effective Date	16/12/2021

OWNERSHIP OF DOCUMENT

Policy Owner	Sebastian Roth, Conducting Officer in charge of Compliance
Policy Author	Sebastian Roth, Conducting Officer in charge of Compliance Claire Massa, Regulatory Compliance Officer

APPROVAL AND REVIEW

INSERT		APPROVAL DATE	NEXT REVIEW DATE
✓			
✓	The Board of DGFM Luxembourg (the "Board")	Q4 2021	Q4 2022

LEGISLATIVE/REGULATORY REFERENCES

- Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement as transposed into Luxembourg Law
- Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regards to exemptions, general operating conditions, depositaries, leverage, transparency and supervision
- Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/124/EC, 2003/125/EC and 2004/72/EC
- Law of 17 December 2010 relating to undertakings for collective investment, as amended
- Law of 12 July 2013 on alternative investment fund managers, as amended
- Law of 1 August 2019 transposing the Directive (EU) 2017/828 on Shareholders' Rights
- CSSF Regulation No. 10-4 transposing Commission Directive 2010/43/EU of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards organisational requirements, conflicts of interest, conduct of business, risk management and content of the agreement between a depositary and a management company
- CSSF Circular 18/698 regarding the authorization and organisation of investment fund managers incorporated under Luxembourg Law and specific provision on the fight against money laundering and terrorist financing applicable to investment fund managers and entities carrying out the activity of registrar agent
- CSSF Circular 16/638 regarding the update of Circular CSSF 08/349 relating to details regarding the information to be notified with respect to major holdings in accordance with the Law of 11 January 2008 on transparency requirements for issuers

LEGAL ENTITIES APPLICABLE:

Davy Global Fund Management Luxembourg S.A. ("DGFM Luxembourg") and its subsidiaries.

DEPARTMENTS/ OPERATIONAL AREAS APPLICABLE:

All departments and areas.

Contents

1.0 INTRODUCTION.....	5
2.0 DEFINITION.....	5
3.0 PURPOSE & OBJECTIVE	5
4.0 SCOPE.....	5
5.0 GOVERNANCE AND VOTING PRINCIPLES.....	5
5.1 Focus on long-term engagement.....	5
5.2 Protect and reinforce shareholders’ rights.....	6
5.3 Equal treatment of shareholders.....	6
5.4 Increase the transparency	6
6.0 SHAREHOLDERS’ VOTING RIGHTS.....	6
6.1 Convocation to General Meetings	6
6.2 Conduct of the General Meetings.....	6
6.3 Proxy	7
7.0 DIRECTORS’ REMUNERATION	7
8.0 CONFLICTS OF INTEREST	7
9.0 VOTING REGISTER	7
10.0 DELEGATION OVERSIGHT.....	8
11.0 SANCTIONS.....	8
12.0 DISCLOSURE	8
13.0 REVIEW AND IMPLEMENTATION OF THE POLICY	8

1.0 INTRODUCTION

Davy Luxembourg (understood as any Davy Group entity being domiciled in or conducting business activities in the Grand-Duchy of Luxembourg, hereafter also called the “Company”) acts as a Management Company as defined by chapter 15 of the UCITS Law of 17 December 2010 and as AIFM as per the AIFM Law of 12 July 2013. Davy Luxembourg acts as Investment Manager for some of the investment funds it manages. The Company also delegates the portfolio management services of the funds it manages to third-party Investment Managers as set out in the Investment Management Agreement signed between the Company and the Investment Manager.

As an asset manager where investments are made, on behalf of investors, in shares traded on regulated markets, Davy Luxembourg has to comply with the Luxembourg law of 1 August 2019 transposing the Directive (EU) 2017/828 on Shareholders’ Rights (the “Shareholders’ Rights Law”).

This Policy has been designed for Davy Luxembourg to meet the Luxembourg regulatory and legal requirements related to shareholders’ voting rights.

2.0 DEFINITION

ACRONYMS

AIFM	Alternative Investment Fund Manager
BoD	Board of Directors
CSSF	Commission de Surveillance du Secteur Financier
Col	Conflicts of Interest
EU	European Union
GDPR	General Data Protection Regulation EU 2016/679
GM	General Meeting
IM	Investment Manager
IMA	Investment Management Agreement
SRD	Shareholders’ Rights Directive
UCITS	Undertakings Collective Investment in Transferable Securities

3.0 PURPOSE & OBJECTIVE

This Policy intends to:

- Incentivise shareholders to participate in the long run to the life of companies;
- Improve the transmission of information to shareholders;
- Increase the involvement of shareholders in corporate governance via voting at general meetings, including on the company’s directors’ remuneration;
- Encourage transparency in the investment strategy.

4.0 SCOPE

The applicable laws and regulations apply to asset managers, to the extent they invest in listed companies on behalf of investors.

As a result, the Policy applies to:

- Davy Luxembourg when the Company is performing portfolio management services;
- Any external IM to whom Davy Luxembourg has delegated the portfolio management function.

5.0 GOVERNANCE AND VOTING PRINCIPLES

5.1 Focus on long-term engagement

Davy Luxembourg adheres to the principle of improving the engagement of investors and asset managers with companies in which the asset manager invests on behalf of the relevant investors. The aim is to encourage shareholders’ medium to long-term engagements.

Davy Luxembourg and its delegates shall disclose annually to the investors how their investment strategy and implementation comply and contribute to the medium and long-term performance of the assets of the funds.

5.2 Protect and reinforce shareholders' rights

Shareholders play a key role in the governance of a company. Davy Luxembourg therefore considers that it is important to protect and reinforce the rights of the shareholders.

This principle implies to provide shareholders with an opportunity to vote during general meetings including the relevant remuneration policy and remuneration report of companies, and to enable the shareholders addressing their concerns directly or via proxy to the company.

An important element to help reinforce shareholders' rights is to ensure a proper communication between the companies and the shareholders. Being an intermediary, amongst others for shareholders of investment funds managed, Davy Luxembourg and its delegates shall transmit, without delay, relevant information received from the companies to the shareholders and back to the company.

5.3 Equal treatment of shareholders

Davy Luxembourg and its delegates shall apply the principle of equal and fair treatment of shareholders. This principle intends to provide equivalent rights to all shareholders.

The setup of a company may define different categories of shares and instruments invested in, entitling their holders to different rights. However, this should not violate the principle of equal treatment of the shareholders serviced by Davy Luxembourg. Davy Luxembourg and its delegates shall seek to ensure that, within each category, the rights of the different shareholders are identical.

5.4 Increase the transparency

Davy Luxembourg takes the importance of transparency for shareholders very seriously. Davy Luxembourg and its delegates shall develop and disclose a voting right policy describing how they integrate shareholders' engagement in their investment strategy and votes at GM. A report shall annually provide details on the implementation of the Policy.

6.0 SHAREHOLDERS' VOTING RIGHTS

Davy Luxembourg's portfolio management team directly exercises the voting rights attached to equities held by the investment funds it manages. In the case of delegation of the portfolio management function, the Company's delegate will handle this task.

In both case, exercising the voting rights shall be performed in compliance with governance and voting principles defined in this document.

6.1 Convocation to General Meetings

A company is required to invite all of its shareholders, irrespective of the number of shares held, when convening a shareholders meeting, shall it be an Annual General Meeting or Extraordinary Meeting. Any shareholders meeting is invoked by the relevant Board of Directors. As asset manager, Davy Luxembourg or its delegates will receive the convening notices and inform relevant shareholders without delay.

6.2 Conduct of the General Meetings

In Luxembourg, one or several shareholders representing at least 5% of the shares of the company have the right to request adding subjects for discussion to the agenda of the GM.

Davy Luxembourg and its delegate may exercise this and any other voting right via electronic means, which may include that shareholders may attend the GM via videoconference, if relevant pre-conditions are met. In addition to voting at a GM using proxies, statutes may authorised voting by correspondence or electronically. Should such a voting method be allowed, the company shall ensure, if Luxembourg law applies, that it can verify the identity of the shareholder.

Within two months following a GM, the shareholder or Davy Luxembourg/its delegates can request from the relevant company to confirm that the voting was correctly recorded and casted during the vote.

Each shareholder has the right to ask questions related to the items on the agenda.

6.3 Proxy

Each shareholder has the right to appoint either a natural or legal person as proxy. The proxy shall have the same rights as the shareholders' including to speak and ask questions at a GM. Davy Luxembourg and its delegate may act as proxy for the investment funds they manage. Further, Davy Luxembourg and its delegates may cascade the voting rights to a third party.

At a GM, Davy Luxembourg and its delegate, as and where appointed as proxy holder, will vote according to the voting instructions received from the shareholder. In case of multiple proxies for several shareholders, Davy Luxembourg and its delegate shall express the relevant vote in accordance with the voting instructions received. The voting instructions shall be archived for at least one year.

During a GM, the voting results shall be accurately recorded. For each item of the agenda subject to voting, the minutes of the meeting shall highlight the number of shares which took part in the vote, the proportion of share capital represented at the vote, and the number of votes in favour of the resolution, not in favour and abstentions.

7.0 DIRECTORS' REMUNERATION

When acting on behalf of shareholders at GM of other entities, Davy Luxembourg and its delegates - as any shareholders or proxy and where Luxembourg law applies - has a right to vote on the remuneration policy of this company. Expressing its views often is only of consultative nature. A listed company normally is obliged to present its remuneration policy to its shareholders whenever updated or at least every four years.

Furthermore, an annual report shall be produced by the listed entity providing clear and understandable information on remuneration. This normally includes both the fix remuneration and any advantages received by former directors and current/new directors appointed during the year. The report is usually prepared in line with GDPR and therefore likely does not include any personal data.

When prepared, the report is discussed at the GM and shareholders may vote on it (the vote is only consultative).

Investment Managers appointed by Davy Luxembourg shall also establish a policy and process by which they review the directors' remuneration of the listed companies in which they invest on behalf of the funds.

8.0 CONFLICTS OF INTEREST

As Davy Luxembourg offers a wide range of financial services it is inevitable that a number of potential or actual conflicts exist. This means that from time to time Davy Luxembourg may have interested which conflicts with our clients' interests or with duties that we owe our clients. This includes conflicts arising between the interests of Davy Luxembourg, other entities within the Davy Group and employees on the one hand and the interest of our clients on the other and also conflicts between clients themselves.

The Company will handle any conflict of interest in line with its Conflicts of Interest Policy.

Delegates of the Company shall establish their own conflicts of interest policy which will be reviewed by Davy Luxembourg as part of its due diligence on the external IM. Further, the IM shall inform Davy Luxembourg of any potential conflicts arising.

9.0 VOTING REGISTER

Davy Luxembourg maintains a Voting Register to be able to provide investors on request with details of the actions taken based on voting strategies. The register contains details on the investment funds concerned, the matters up for vote, the vote issued and the relevant dates.

Delegates shall maintain their own register.

10.0 DELEGATION OVERSIGHT

Davy Luxembourg delegates some of the portfolio management services of the funds it manages to third party Investment Managers. The delegation is concluded by agreeing an IMA.

Davy Luxembourg ensures that the IM is compliant with the Shareholders' Rights Law and has implemented its own voting right policy by virtue of relevant clauses in an IMA.

The Company reviews the policies, procedures and processes in place at the level of the IM as part of its due diligence on the IM. The due diligence is performed at onboarding and periodically as defined in the relevant procedures.

Any breach or issue identified by the delegate on the Shareholders' Rights Law shall be immediately reported to Davy Luxembourg together with the remedial actions taken to resolve the issue.

11.0 SANCTIONS

The Company, its directors and its delegate are personally and jointly liable for any damage resulting from the breach of their obligations under the Law of 1 August 2019.

12.0 DISCLOSURE

DGFM Luxembourg discloses this Policy on its website and will upload any new version made available at least on an annual basis.

The Policy is also made available on the Policies & Procedures common folder of the Company for all staff members of Davy Luxembourg. Davy Luxembourg will save any new version made available at least on an annual basis and a communication will be sent to all employees to inform them of this update.

13.0 REVIEW AND IMPLEMENTATION OF THE POLICY

The Board of Davy Luxembourg has adopted the Voting Right Policy. The Policy is reviewed at least on an annual basis and more often in case of changes to the Shareholders' Rights Law.

Amendments of the Policy will only need to be approved by the Board in case of material changes or if determined by the Policy Owner.