

JULY 2024

VOTING POLICY

UBP Asset Management (France)

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UNION BANCAIRE PRIVÉE

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Union Bancaire Gestion Institutionnelle (France) SAS (below “**UBP AM France**”) is a French Asset Management Company registered with the AMF under reference GP98041 relating to collective investment funds, both UCITS and AIF, and mandate it manages. The following voting policy sets out UBP AM France’s duties and obligations when exercising voting rights on behalf of its clients and is an integral part of UBP AM France’s engagement policy as defined within UBP Group’s Responsible Investments policy.

1. Objective and Scope

1.1 Context

UBP AM France acts as the Management Company for various UCITS and AIF funds and mandates (hereinafter the "Funds" or "Clients").

UBP AM France acts:

- either as direct portfolio manager, for convertible bond Funds and Clients
- or may sub-delegate the portfolio management of the Funds or Clients to another entity within UBP group (if applicable, a partner outside of UBP group) when it does not have the internal expertise to directly manage the strategy or asset class

This policy applies to the exercise of voting rights on behalf of Funds significantly invested in listed equities for which UBP AM France acts either as fund management company or portfolio manager and for which UBP AM France has been granted proxy voting discretion.

UBP AM France has adopted the principles set out below regarding the voting of proxies on securities held in the Funds and Client's accounts ("Policy"). The Policy is designed to ensure that where UBP AM France has the authority to vote proxies, UBP AM France complies with its legal, fiduciary and contractual obligations.

1.2 Applicable rules

UBP AM France shall comply with French applicable rules when implementing its proxy voting strategy and in particular:

- Articles L533-22 and R 533-16 & al. of the French Monetary and Financial Code.

Consequently, UBP AM France has developed an adequate and effective policy for determining when and how voting rights attached to instruments held in the managed portfolios are to be exercised, so that these rights benefit exclusively the shareholders of the Fund(s) and Client(s);

In addition, UBP AM France, when establishing its own Policy for exercising voting rights may also refer either to the strategies established in this regard by UBP Group or to recognized international standards.

2. Guiding Principles

UBP AM France acting on behalf of its Funds and Clients is responsible for the exercise of voting rights actively, independently and exclusively in the interests of the Funds' shareholders and Clients.

As a signatory to the United Nations Principles for Responsible Investment (UN PRI) since March 2012, the UBP Group is committed to invest responsibly and to be active owners and incorporate Environmental, Social and Governance issues into our ownership policies and practices, in line with Principle 2 of the UN PRI. Responsible investment can be defined as the integration of ESG considerations into investment management processes and ownership practices in the belief that these factors can have a positive impact on financial performance.

Finally, UBP AM France is a subsidiary of UBP Asset Management (Europe) SA which is signatory to the Net Zero Asset Managers Initiative and has pledged to ensure that climate considerations are integrated in the investment management of its Funds' and Clients' portfolios.

Proxy voting and the analysis of corporate environmental, social and governance issues in general are important elements of the portfolio management services provided to its Funds and Clients who have authorised UBP AM France to address these matters on their behalf. The guiding principles in performing proxy voting are to make decisions that:

- (i) favour proposals that in UBP AM France's view tend to maximise Funds' shareholders and Clients' value,
- (ii) are not influenced by conflicts of interest
- (iii) integrate sustainability considerations
- (iv) factor the cost to the Funds (e.g., ballot charges or shareblocking).

UBP AM France also ensures that the exercise of voting rights is in accordance with the investment objectives of the Funds.

Based on these guiding principles, the approach of UBP AM France is to determine when it is in the best interests of the Funds' shareholders and Clients to effectively exercise voting rights attached to the financial instruments held in the various portfolios under management.

As a rule, in the absence of disproportionate voting costs, the exercise of voting rights applies to all equity Funds and Clients that invest significantly in equities, with assets under management above EUR 15 million.

A summary of main voting principles is provided in Appendix I.

3. Delegation of the Exercise of Voting Right

UBP Group has appointed a third-party voting service ("Proxy Service") to assist in the implementation of certain proxy voting related functions to fulfil the obligations as a responsible investor, to act in the best interests of the Funds' shareholders, to seek and to oppose to any proposal or action which would materially reduce or damage shareholders' rights, including those that reflect failures to manage ESG and Climate risks.

So UBP Group has appointed ISS (Institutional Shareholder Services), a global leader in corporate governance and responsible investment solutions. ISS offers global coverage of the securities markets and has a secure Internet-based platform providing information and research work. This service offers a central hub for managing all the votes and providing operational, record-keeping and reporting services.

ISS handles on behalf of UBP Group entities the operational part of proxy voting execution in connection with our depositories.

UBP AM France also relies on the deployed resources of its mother company's resources - Union Bancaire Privée, UBP SA ("UBP Geneva") - in the context of its UN PRI engagements (cf above)

UBP AM France may hire other service providers to replace or supplement the proxy service with respect to any of the services UBP AM France currently receives from the proxy service.

3.1 Proxy Voting Guidelines

Voting rights are exercised on the basis of the principles stipulated in the ISS Sustainability Proxy Voting Guidelines ("ISS Sustainability Policy") annexed to this Policy (Annex II and III). These principles are compatible with the investment policy pursued by each Funds impacted and are applied in the context of the global UN PRI engagements of the UBP Group and of the net zero commitment of UBP AM France.

3.2 Workflow and Rules of Engagement

The ISS Implied Consent Service will vote on behalf of the Funds in accordance with ISS recommendations and as prescribed by the ISS Sustainability Policy.

As a general rule, in case of voting, a systematic vote will take place on 100% of the position of the Fund. Exception may apply in case of shareblocking. Through access to ISS Internet Platform, the concerned relevant Investment Manager is informed of any GM agenda when voting applies as well as of ISS voting recommendation and legitimation. These recommendations provide an initial analysis of resolutions to the Investment Manager to vote in accordance with ISS Sustainability Policy. The person in charge of the vote then has the responsibility to analyze these recommendations in light of the specific issues facing each company.

The Investment Manager has the possibility to propose to override ISS recommendations. Override must be documented and argued to UBP AM France. In such case, the Investment Manager must inform of the requested changes by email, accompanied by a detailed rationale. Overrides need to be approved by at least one of the co-CEOs of UBP Asset Management division and by the UBP Asset Management division's Head of Responsible Investment.

The Head of Responsible Investment will communicate the override decision during an ad-hoc Voting Committee of UBP AM France which is composed of the Head of Responsible Investment, the RCCI, the COO or its deputy and the CEO of UBP AM France. The Voting Committee will check if the overrides are in line with the above-mentioned guiding principles and the main voting principles as described in Appendix. This Voting Committee will then decide to approve or disapprove this override and communicate its decision to the PM and ISS..

UBP AM France COO, or its deputy, are in charge of:

- performing a monthly reporting on voting activity or disclosing voting activity on demand
- centralizing voting exceptions (ISS recommendation override)

4. Conflict of interests

Sometimes there may be circumstances when a proxy voting decision presents a conflict between the interests of the shareholders and of the Funds or Clients on one hand, and those of UBP AM France and UBP Group on the other hand or between two or more group of Funds and Clients.

In accordance with the principles set forth in its Conflict of Interest Policy, UBP AM France has implemented appropriate measures to identify, prevent, and manage potential situations that could lead to conflicts of interest. In this regard, UBP AM France ensures the primacy of the interests of the shareholders of the Funds and Clients it manages.

In addition UBP AM France has set out specific measures to mitigate the risk of conflicts of interest. First this Policy was approved by UBP AM France's governing body and is made public and published on UBP AM France's website. Second, the implementation of the Voting Committee and its supervisory role in particular when an override vote is proposed.

Furthermore, UBP AM France has established a code of ethics as well as a policy of personal transactions disclosure that apply to UBP AM France's employees, to raise awareness about best market practices.

When the Investment Manager identifies potential conflicts of interest situations in the exercise of voting rights that he deems unavoidable, the Investment Manager, in collaboration with the Head of compliance and the CEO of UBP AM France, will decide the necessary measures to adopt to remedy the situation.

5. Disclosure of the voting rights policy to investors

This is made available to investors by UBP AM France, free of charge.

Details of the actions taken based on this policy are made available to investors free of charge and upon their request.

6. Appendices

Appendix I – Main Voting principles

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The main voting principles can be summarized as follows:

Board of Directors:

Board diversity	Generally, vote against or withhold from the chair of the nominating committee if the board lacks at least one director of an underrepresented gender identity ¹ .
Board independence	Generally, vote against the election or re-election of any non-independent directors (excluding the CEO) if: Non-controlled companies: <ul style="list-style-type: none"> - Less than 50 percent of the shareholder-elected Board – excluding, where relevant, employee shareholder representatives - is independent, or - Less than one-third of all board members are independent. Controlled companies: <ul style="list-style-type: none"> - Less than one-third of the board members are independent.
Combined Chair/CEO	Generally, vote against the (re)election of combined chair/CEOs. Where the company provides assurance that the Chair/CEO will only serve the combined role on an interim basis (no more than two years), the vote recommendation will be made on a case-by-case basis
Overboarded Directors	Generally, vote against a candidate when they hold an excessive number of board appointments, as referenced by the more stringent of the provisions prescribed in local law or best practice governance codes, or the following guidelines: <ul style="list-style-type: none"> - Any person who holds more than five mandates at listed companies (a non-executive directorship counts as one; a non-executive chair position counts as two; an executive directorship counts as three), or - Any person who holds the position of executive director at one company and a position as non-executive chair at another company.
Material ESG failure	Vote against or withhold from directors individually, on a committee, or potentially the entire board due to: <ul style="list-style-type: none"> - Material failures of governance, stewardship, risk oversight, include on climate change, or fiduciary responsibilities at the company, including failure to adequately manage or mitigate environmental, social and governance (ESG) risks; - A lack of sustainability reporting in the company's public documents and/or website in conjunction with a failure to adequately manage or mitigate ESG risks; - Failure to replace management as appropriate; or - Egregious actions related to the director(s)' service on the boards that raise substantial doubt about his or her ability to effectively oversee management and serve the best interests of shareholders at any company. -
Climate accountability	For significant GHG emitters, through operations or value chain, generally vote against the Chairman, or the responsible incumbent director(s) in cases where the company is not taking the minimum steps needed to be aligned with a Net-Zero by 2050 trajectory. Minimum combined steps ² required: <ul style="list-style-type: none"> - Detailed disclosure of climate-related risks according to the TCFD's four pillar framework; - The company has set a medium-term target for reducing GHG emissions. - Declared a target of Net-Zero by 2050 or sooner, in which the target includes scope 1, 2 and relevant scope 3 emissions.
Discharge of Board and Management	Generally, vote for discharge of directors, unless there is reliable information about significant and compelling controversies that the board is not fulfilling its fiduciary duties, which includes failure to manage or mitigate ESG risks.

¹Underrepresented gender identities include directors who identify as a woman or as a non-binary

² Expectations about what constitutes "minimum steps needed to be aligned with a Net Zero by 2050 trajectory" will increase over time.

Operational items:

Appointment of auditors and audit fees	<p>Vote against auditors where audit fees are undisclosed or fees for non-audit services exceed either 100 percent of standard audit-related fees or any stricter limit set in local best practice recommendations or law.</p> <p>Vote against auditors where there are serious concerns about the effectiveness of the auditors or the lead audit partner can be considered affiliated with the company.</p>
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Capital structure:

Share issuance requests	<p>Vote for general issuance requests with pre-emptive rights up to 50 percent of issued capital and as long as the share issuance authorities' periods are clearly disclosed and in line with market specific practices and/or guidelines.</p> <p>Vote for issuance authorities without pre-emptive rights up to 10 percent of issue capital as long as the share issuance authorities' periods are clearly disclosed in line with market-specific practices and/or recommended guidelines.</p>
Increase/Decrease in Authorized Capital	<p>Vote for proposals to increase authorized capital on a case-by-case basis if such proposals do not include the authorization to issue shares from the (pre-)approved limit.</p> <p>Vote for proposals to reduce capital for routine accounting purposes unless the terms are unfavourable to shareholders.</p>
Capital structures	<p>Vote for resolutions that seek to maintain or convert to a one-share, one vote capital structure.</p> <p>Vote against requests for the creation or continuation of dual-class capital structures or the creation of new or additional supervoting shares.</p>

Compensation:

Overall approach to Executive and non-executive compensation	<p>The assessment of compensation follows global corporate governance best practice and takes into account the following principles which underlie market-specific policies:</p> <ul style="list-style-type: none"> - Provide shareholders with clear, comprehensive compensation disclosures; - Maintain appropriate pay structure with emphasis on long-term shareholder value; - Avoid arrangements that risk "pay for failure;" - Maintain an independent and effective compensation committee; - Avoid inappropriate pay to non-executive directors.
Say on Pay (SoP)	<p>Vote case-by-case on management proposals for an advisory shareholder vote on executive compensation.</p> <p>Vote against in cases where boards have failed to demonstrate good stewardship of investors' interests regarding executive compensation practices.</p>

Environmental and social issues:

Overall approach to Social and environmental Shareholder proposals	<p>Generally, supports standards-based ESG shareholder proposals that enhance long-term shareholder and stakeholder value while aligning the interests of the company with those of society at large. In particular, the policy focuses on resolutions seeking greater transparency and/or adherence to internationally recognized standards and principles.</p>
Climate change Shareholder proposals	<p>Vote for shareholder proposals seeking information on the financial, physical, or regulatory risks it faces related to climate change- on its operations and investments, or on how the company identifies, measures, and manage such risks.</p> <p>Vote for shareholder proposals calling for the reduction of GHG emissions.</p> <p>Vote for shareholder proposals seeking reports on responses to regulatory and public pressures surrounding climate change, and for disclosure of research that aided in setting company policies around climate change.</p> <p>Vote for shareholder proposals requesting a report/disclosure of goals on GHG emissions from company operations and/or products.</p>

<p>Say on Climate (SoC)</p>	<p>Management proposals:</p> <ul style="list-style-type: none"> - Vote case-by-case the approval of the company's climate transition plan, taking into account the completeness and rigor of the plan (alignment with TCFD, commitment to net-zero, third party approval, etc.) <p>Shareholder proposals:</p> <ul style="list-style-type: none"> - Vote case-by-case on proposals that request the company to disclose its upcoming/approved climate transition action plan and provide shareholders the opportunity to express approval or disapproval of its GHG emissions reduction plan. Factors considered include, but are not limited to, completeness and rigor of the actual climate-related disclosures, actual GHG emissions and controversies related to GHG emissions.
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Please, note that market-specific guidelines may apply. The full ISS Sustainability Proxy Voting Guidelines can be found at: <https://www.issgovernance.com/policy-gateway/voting-policies/>