



Voting Rights Policy for UCITS & AIF

Introduction

Pursuant

- ◆ the Regulation 10-4 of the CSSF transposing the European Directives 2010/43/UE
- ◆ the section 5.5.10 of the CSSF circular 18-698
- ◆ the Article 13 of the AIFM Luxembourg law dated 12 July 2013 transposing the 14 of the AIFM Directive
- ◆ the Article 37 “Strategies for the exercise of voting rights” of the EU Commission Delegated Regulation of 19 December 2012 supplementing the AIFMD

Probus Pleion Luxembourg S.A. has decided to implement a policy regarding the exercise of the voting rights attached to the securities belonging to the UCITS and AIF portfolios managed by Probus Pleion Luxembourg S.A.

Legal Background

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 “as amended by CSSF Regulation No 22-05 of 27 July 2022 amending CSSF Regulation No 10-4 of 20 December 2010 (Mém. A 2022, No 405)”.

Article 23 Strategies for the exercise of voting rights

1. Management companies shall 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 UCITS concerned.
2. The strategy referred to in paragraph (1) shall determine measures and procedures for: a) monitoring relevant corporate events; b) ensuring that the exercise of voting rights is in accordance with the investment objectives and policy of the relevant UCITS; c) preventing or managing any conflicts of interest arising from the exercise of voting rights.
3. A summary description of the strategies referred to in paragraph (1) shall be made available to investors.

Details of the actions taken on the basis of those strategies shall be made available to the unitholders free of charge and on their request.

Circular CSSF 18/698: Authorisation and organisation of investment fund managers incorporated under Luxembourg law; Specific provisions on the fight against money laundering and terrorist financing applicable to investment fund managers and entities carrying out the activity of registrar agent.

Section 5.5.10. Exercise of voting rights

392. Pursuant to Article 23 of CSSF Regulation 10-4 and Article 37 of Delegated Regulation (EU) 231/2013, the IFM must, among others, develop an adequate and effective strategy 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 UCI concerned and its investors.

393. Any UCI that has not specifically mandated the IFM to exercise the voting rights attached to the instruments held in its portfolio, must develop its own strategy for the exercise of voting rights.

394. It is also acceptable for an IFM to refer either to the strategies developed in this regard by the group to which it belongs or to the recognised international standards when developing its own strategy for exercising voting rights. The use of a delegate’s strategy, where appropriate, is allowed provided that the IFM ensures during its initial due diligence and ongoing



monitoring as referred to in Section 6.2.3. (Initial due diligence and ongoing monitoring of delegates) that the delegate's strategy complies with the provisions of point 392 above.

395. A brief description of this strategy must be made available to investors free of charge, in particular by way of a website.

396. At the moment of its authorisation, the IFM must confirm that an adequate and effective strategy has been put in place permitting the exercise of voting rights attached to the instruments held in the portfolios in the exclusive interest of the UCIs concerned. This procedure must be regularly updated. The CSSF reserves the right to request a copy of this procedure at any time.

Law of 12 July 2013 on alternative investment fund managers

Article 13. Conflicts of interest

(1) AIFMs must take all reasonable steps to identify conflicts of interest that arise in the course of managing AIFs between:

- (a) the AIFM, including its managers, employees or any person directly or indirectly linked to the AIFM by control, and the AIF managed by the AIFM or the investors in that AIF;
- (b) the AIF or the investors in that AIF and another AIF or the investors in that AIF;
- (c) the AIF or the investors in that AIF and another client of the AIFM;
- (d) the AIF or the investors in that AIF and a UCITS managed by the AIFM or the investors in that UCITS; or
- (e) two clients of the AIFM.

AIFMs are required to maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps designed to identify, prevent, manage and monitor conflicts of interest in order to prevent them from adversely affecting the interests of the AIFs and their investors.

They must segregate, within their own operating environment, tasks and responsibilities which may be regarded as incompatible with each other or which may potentially generate systematic conflicts of interest. They are required to assess whether their operating conditions may involve any other material conflicts of interest and to disclose them to the investors of the AIFs.

(2) Where organisational arrangements made by the AIFM to identify, prevent, manage and monitor conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to investors' interests will be prevented, the AIFM must clearly disclose the general nature or sources of conflicts of interest to the investors before undertaking business on their behalf, and develop appropriate policies and procedures.

(3) Where the AIFM on behalf of an AIF uses the services of a prime broker, the terms must be set out in a written contract. In particular, any possibility of transfer and reuse of AIF assets must be provided for in that contract and must comply with the AIF management regulations or instruments of incorporation. The contract must provide that the depositary be informed of the contract. The AIFM must exercise due skill, care and diligence in the selection and appointment of the prime brokers with whom a contract is to be concluded.

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 regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision.

Article 37. Strategies for the exercise of voting rights

1. An AIFM shall develop adequate and effective strategies for determining when and how any voting rights held in the AIF portfolios it manages are to be exercised, to the exclusive benefit of the AIF concerned and its investors.

2. The strategy referred to in paragraph 1 shall determine measures and procedures for:

- (a) monitoring relevant corporate actions;
- (b) ensuring that the exercise of voting rights is in accordance with the investment objectives and policy of the relevant AIF;
- (c) preventing or managing any conflicts of interest arising from the exercise of voting rights.

3. A summary description of the strategies and details of the actions taken on the basis of those strategies shall be made available to the investors on their request.



Purpose

This Voting Rights Policy (referred to as "the Policy") establishes the principles that Probus Pleion Luxembourg S.A. follows when exercising voting rights associated with securities in the portfolios of funds under its management (referred to as "the Fund(s)"). The primary objective of the Policy is to protect the interests of the Funds. It ensures that voting decisions enhance the value of the investments and align with the Funds' Investment Policy.

The Policy also aims to ensure transparency in the decision-making process. It commits to providing the Funds with detailed information about the decisions made to exercise voting rights on the assets held by the Funds.

Additionally, Probus Pleion Luxembourg S.A. ensures that the Policy remains adaptable. It is designed to reflect changes in the Funds' Investment Policy, respond to emerging market trends, and adapt to other relevant developments.

Scope

This Policy applies to securities in the portfolios of funds where Probus Pleion Luxembourg S.A. has been designated as the Investment Manager. It is relevant except in cases where the board of directors of a particular Fund has chosen a different, fund-specific voting rights policy.

Policy

Probus Pleion Luxembourg S.A., through the Investment Manager or the Depositary Bank, will vote on behalf of the Fund at the annual or extraordinary general meetings of shareholders for a specific security, under the following conditions:

- ◆ The Fund's holding in the security surpasses the detention threshold as defined by the European Directive 2004/109/EC and its transposition into the national law governing that security.

The meetings involve voting on matters such as:

- ◆ Corporate governance (e.g., statute changes, mergers, corporate restructuring, anti-takeover measures).
- ◆ Capital structure alterations (e.g., capital increases or decreases, preferred stock issuances).
- ◆ Management compensation (e.g., stock option plans).
- ◆ Social and corporate responsibility issues.
- ◆ Appointment or removal of Directors.
- ◆ Any other issue significantly impacting the Fund's interests.

If the Fund's position in the security does not meet the specified threshold, Probus Pleion Luxembourg S.A. may choose not to vote.

In exercising these voting rights, Probus Pleion Luxembourg S.A. actions will always prioritize the best interests of the Fund and its investors. This approach aligns with the Fund's investment objectives and aims to avoid any conflicts of interest.



Probus Pleion Luxembourg S.A. commitment to this policy is on a best-effort basis. This depends on the availability and accessibility of relevant public information about the voting opportunities, as well as the provision of this information by the Fund's Depositary Bank.

Responsibility for Adhering to the Policy

Probus Pleion Luxembourg S.A. reserves the right to seek opinions from third parties, such as the delegated investment manager, the investment advisor, or the board of directors of the Fund, on matters related to the exercise of voting rights.

Application of Voting Rights Guidelines

Probus Pleion Luxembourg S.A. holds the responsibility to keep the Policy up-to-date with the latest legal recommendations and to conduct periodic reviews of the Policy.

Information and Communication

The Policy is publicly accessible on Probus Pleion Luxembourg S.A. website at www.bcblux.lu. Individuals with a legitimate interest in the Funds can request a summary of this Policy at no cost. Such requests should be directed to Probus Pleion Luxembourg S.A.