

UBP ASSET MANAGEMENT DIVISION

Voting Rights Report | Summary Information



UNION BANCAIRE PRIVÉE

Overview

As a signatory to the United Nations Principles for Responsible Investment (UN PRI) since March 2012, UBP is committed to integrate environmental, social and corporate governance (ESG) considerations into its investment activities, and to exercise its active ownership duties.

The Asset Management division of UBP (hereafter “UBP AM”) has outlined guiding principles in its voting policy to ensure that voting rights associated with the instruments held by its investment products (funds or mandates, as applicable) are exercised solely for the benefit of the investment products and their investors. UBP AM ensures that voting rights are exercised in accordance with its Responsible Investment (RI) and Voting policies. For this, UBP AM has partnered with ISS as proxy voting agent and selected their Sustainability Voting Policy, whose voting guidelines are consistent with the objectives of sustainability-minded investors.

This report gives highlights on UBP AM voting activities in 2023. Comprehensive details are available in our [2023 voting record](#).

Principles for exercising voting rights

Proxy voting and the analysis of corporate governance issues in general are important elements of the portfolio management services provided to the funds/mandates which have authorised UBP AM to address these matters on their behalf. Our guiding principles in performing proxy voting are to make decisions that (i) favour proposals that tend to maximise shareholder value, (ii) are not influenced by conflicts of interest and (iii) integrate sustainability considerations and (iv) factor in potential costs to the portfolios (e.g., ballot charges or share blocking).

UBP’s voting policy is based on the principles stipulated in ISS Sustainability Proxy Voting Guidelines. As described by ISS, these guidelines are based on “internationally recognized sustainability-related initiatives such as the United Nations Environment Programme Finance Initiative (UNEP FI), United Nations Principles for Responsible Investment (UNPRI), United Nations Global Compact, Global Reporting Initiative (GRI), Carbon Principles, International Labour Organization Conventions (ILO), Ceres Roadmap 2030, Global Sullivan Principles, MacBride Principles, and environmental and social European Union Directives”.

These principles are aligned with UBP’s engagement as a UN PRI signatory and with the net zero commitment of UBP Asset Management (Europe) S.A..

While UBP AM votes are primarily aligned with ISS voting recommendations, investment teams have leeway to choose to vote differently, subject to a formalized validation process.

Further details on our voting principles and implementation guidelines are described in our voting policy, available in the [Responsible Investment section of our website](#).

Amendments to our Voting Policy in 2023

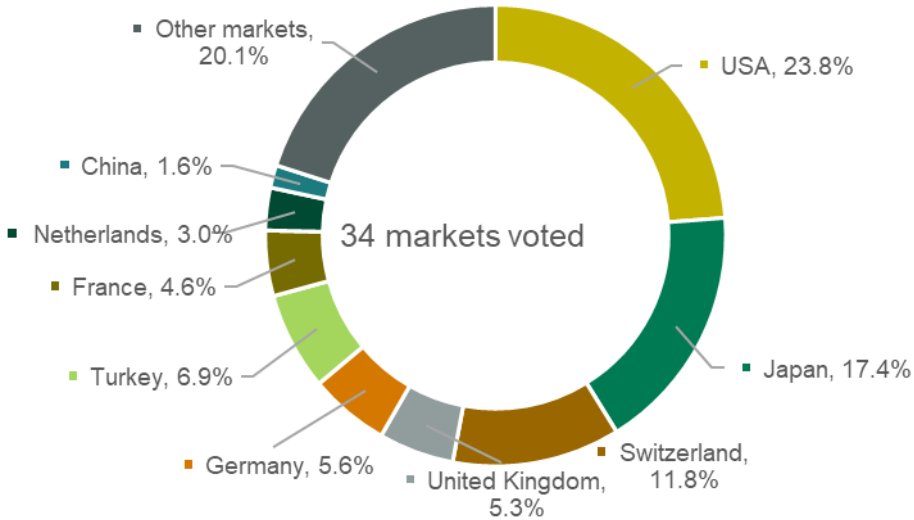
Our voting policy is reviewed annually. The main change in 2023 was the support for the inclusion of specific minimum disclosure requirements for high emitting companies, in line with ISS Sustainability proxy voting guidelines. These requirements include for instance the adoption of both a medium-term and a long-term (2050) net zero greenhouse gas emission reduction targets covering scope 1, 2, and relevant scope 3 emissions.

Additionally, the policy has been updated to outline conditions under which votes should be cast against directors, whether individually, as part of a committee, or potentially the entire board. These conditions include significant failures in governance, stewardship, risk management, or fiduciary duties, particularly

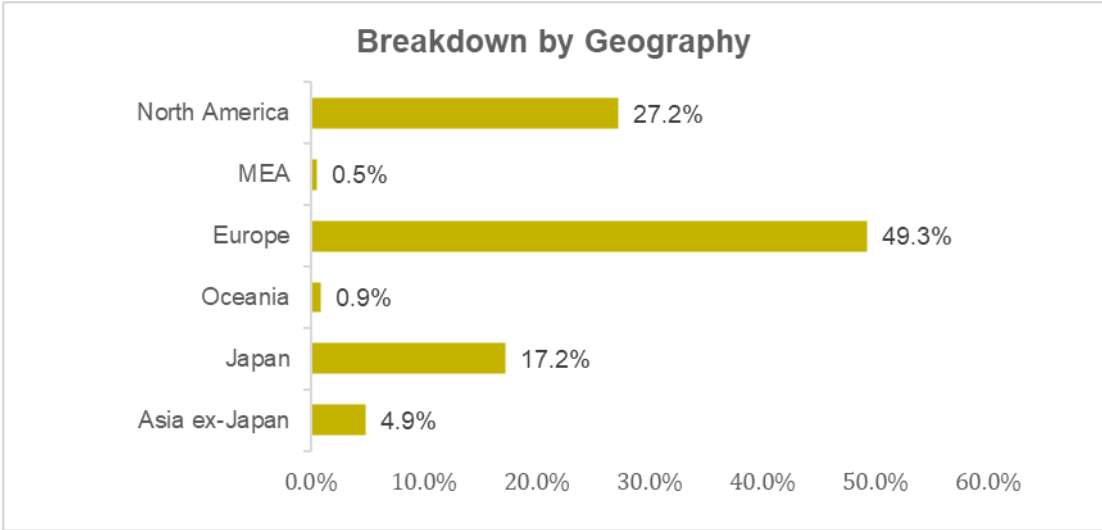
concerning ESG (Environmental, Social, and Governance) risks, and lack of proper sustainability reporting.

Voting statistics

In 2023, UBP AM voted at 667 general meetings, covering annual, special, and shareholder meetings (93.1% of votable meetings), representing 8,900 resolutions across 34 different markets. Of these resolutions, UBP AM cast 90.7% of its votes in favor, 8.4% against, and 1% were abstained or withheld. This breakdown highlights UBP AM's general support for proposals, while also demonstrating a degree of critical oversight by voting against certain resolutions and abstaining when necessary.



Source: ISS, UBP – financial year 2023

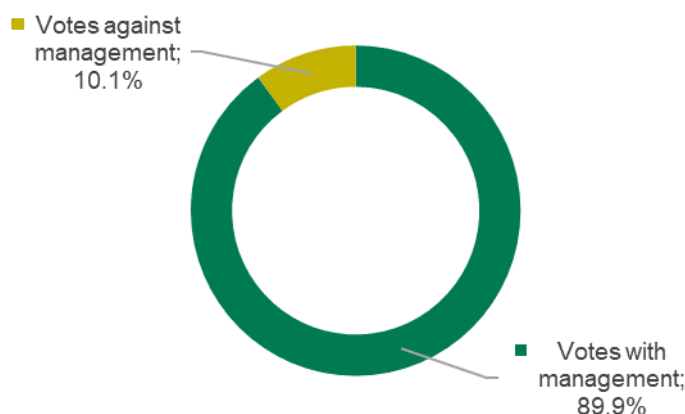


Source: ISS, UBP – financial year 2023

Resolutions

UBP AM analyzed 8,900 resolutions and opposed the recommendations of company management (through votes against or abstain) for 894 resolutions, i.e., 10.1% of cases:

Vote alignment with management across all resolutions



Source: ISS, UBP – financial year 2023

Resolutions proposed by Management

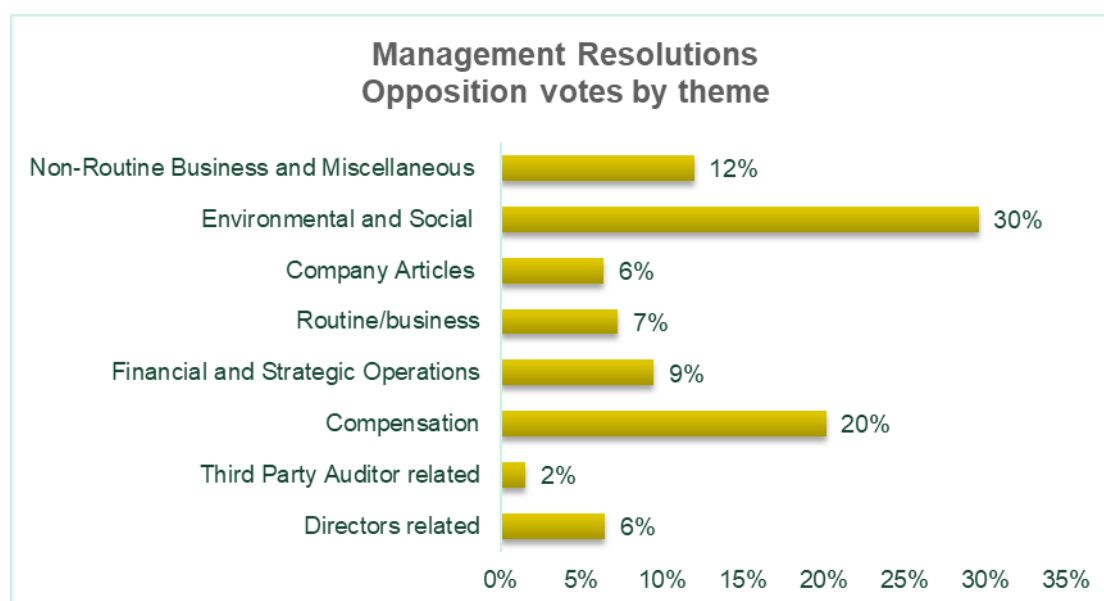
Out of 8619 resolutions put forward by management, UBP AM aligned with management recommendations in 98.5% of the votes.

Vote alignment with ISS policy on Management resolutions

Overall, UBP AM voted in line with ISS Sustainability voting recommendations in 96.3% of the times. In the specific case of management resolutions, this alignment was 96.2%.

Breakdown of opposition votes by category

30% of opposition votes focused on environmental and/or social resolutions put forth by management, while 20% centered on the company's remuneration structure.



Source: ISS, UBP – financial year 2023

Resolutions proposed by Shareholders

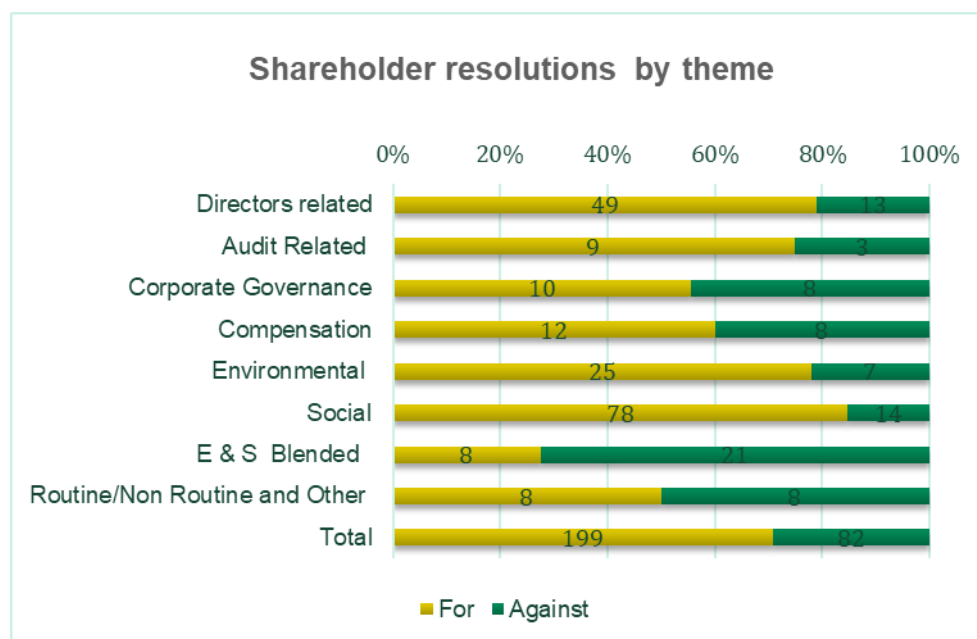
In 2023, UBP AM voted on 281 resolutions proposed by shareholders (100% of votable shareholder resolutions). This accounts for 3.2% of the total resolutions voted on throughout the year.

Vote alignment with ISS policy on shareholder resolutions

In the specific case of shareholders' resolutions, UBP AM voted 100% of the times in line with ISS Sustainability voting recommendations.

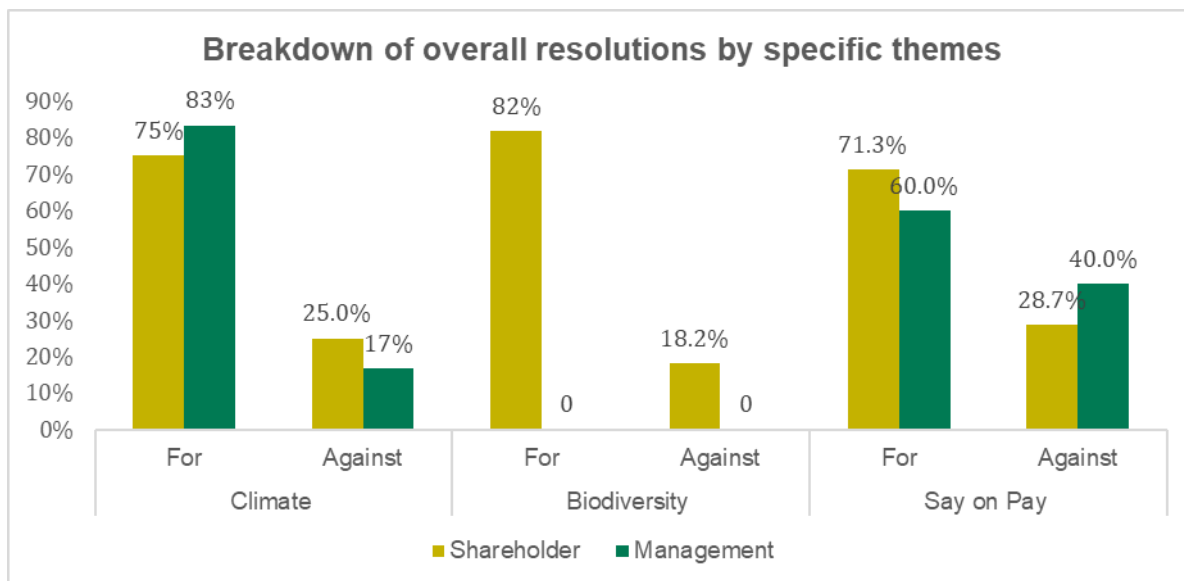
Breakdown of Shareholder resolutions by themes

Our voting stance favored shareholders' resolutions in 70.8% of the cases, with allocations distributed as follows: 39.2% for Social, 12.6% for Environmental, 4% for blended E&S, and the remaining portion for corporate governance.



Source: ISS, UBP – financial year 2023

Out of the 281 shareholder resolutions, 20 were focused on Say on Pay, 28 were focused on climate-related matters, including limitations on financing fossil fuels, disclosure of greenhouse gas reduction targets, reporting on climate lobbying activities, and other related topics. 11 proposals tackled biodiversity issues and environmental justice, shedding light on environmental policies, oil spills, and efforts to reduce plastic use.



Source: ISS, UBP - financial year 2023

Conflicts of Interest

UBP AM has not identified any conflict of interest in 2023 linked to the exercise of its voting rights for French and Luxembourg funds.

Disclaimer

UBP Asset Management (Europe) S.A., is a Management Company authorised under Chapter 15 of the Law of 17 December 2010 relating to undertakings for collective investment (the “2010 Law”) and an Alternative Investment Fund Manager authorised under the Law of 12 July 2013 (the “AIFM Law”), which manages undertakings for collective investment subject to Part I of the 2010 law and other types of funds which qualify as alternative investment funds. 287-289, route d’Arlon P.O. Box 79 1150 Luxembourg T +352 228 007-1 F +352 228 007 221.

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