Engagement Policy
Hauck & Aufhäuser Fund Services S.A.

HAFS
Group

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1. Introduction

Hauck & Aufhäuser Fund Services S.A. (hereinafter “HAFS” or “Management Company”) is a management company authorized by the Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier, pursuant to Chapter 15 of the Luxembourg Law of December 17, 2010, on Undertakings for Collective Investment (hereinafter the “UCI Law”) and is also authorized as an alternative investment fund manager (hereinafter “AIFM”) pursuant to Chapter 2 of the Luxembourg Law of July 12, 2013, on Alternative Investment Fund Managers (hereinafter the “AIFM Law”).

As a management company and AIFM, HAFS is responsible for collective portfolio management in accordance with Annex II of the UCI Law and Annex I of the AIFM Law. In this context, HAFS is generally responsible for, or may be commissioned to exercise, portfolio-specific voting rights on behalf of the investment funds/investment companies it manages.

This document is intended to provide shareholders/investors with an overview of how and according to what criteria HAFS complies with the requirements set forth in Article 3 (g) (1)(a) of Directive 2007/36/EC of July 11, 2007, on the exercise of certain rights of shareholders in listed companies, as amended (hereinafter “ARR”). In addition, the relevant provisions of the Luxembourg law of August 1, 2019, amending the law of May 24, 2011, on the exercise of certain rights of shareholders at general meetings of listed companies and implementing Directive 2007/36/EC, are taken into account.

This engagement policy is reviewed and updated regularly, at least once a year. A review is also conducted if required due to changes in the principles set forth in this policy, as well as in the event of relevant regulatory changes.

2. The Scope of the Engagement Policy

The Engagement Policy serves as a guideline for engagement activities in accordance with the ARR. The scope of this policy covers the exercise of certain rights associated with voting shares held by the managed investment funds/ investment companies, in their capacity as shareholders, in connection with general meetings of companies that have their registered office in a Member State of the European Union and whose shares are admitted to trading on a regulated market situated or operating in a Member State of the European Union (hereinafter “relevant companies”).

HAFS’s engagement process may extend to the analysis, monitoring, engagement, and voting practices of the relevant companies described above. In this context, aspects related to the strategy as well as the financial and non-financial performance of the relevant companies are also taken into account.

3. HAFS as a Management Company – Possible Scenarios

In its capacity as a management company/AIFM for investment funds and investment companies, HAFS sees itself as a specialist and competent partner for the design and administration of customized and complex fund structures. Its unique selling point is a comprehensive, high-quality range of services characterized by independence.

As a management company/AIFM, HAFS is generally responsible for performing the portfolio management function for the investment funds it manages and, in accordance with the relevant mandate, for the investment companies it manages.

The performance of the portfolio management function for investment funds or investment companies can generally be structured according to the following models:

i. the portfolio management function is performed by the management company/AIFM itself (with or without the assistance of an investment advisor);
ii. the portfolio management function is delegated to a qualified third party.

Explanation of the resulting service models and their implications for the engagement policy:

3.1. Engagement of an Investment Advisor/Proxy Advisor

Under Model 3 (i) (Engagement of an Investment Advisor/Proxy Advisor), HAFS performs the portfolio management function for the investment funds and investment companies it manages. In doing so, it may be assisted by investment advisors or proxy advisors it has engaged. In cases where an investment advisor is engaged to assist with the portfolio management function of the managed investment fund(s) or investment company(ies), HAFS utilizes the services of a proxy advisor who issues a recommendation regarding the exercise of voting rights. The engagement of a proxy advisor is intended to ensure that an appropriate analysis of the relevant companies is conducted and that participation rights are exercised in the interest of sustainable and positive development. The management company/AIFM is not bound by the proposals of the investment advisor or the proxy advisor.

Proxy advisors are subject to the ARR and, in particular, ensure that they have implemented appropriate procedures to ensure the quality of their research, advice, and voting recommendations, that their employees are sufficiently qualified, and that all legal, regulatory, and company-specific conditions are taken into account.

3.2. Delegated Portfolio Managers

With regard to Model 3 (ii) (delegation of the portfolio management function to a third party), the right to exercise voting rights remains with HAFS in its capacity as the management company/AIFM of investment funds (generally by virtue of statutory designation) and investment companies (by delegation from the Board of Directors). A permanent and unrestricted mandate to exercise voting rights delegated to the delegated portfolio manager occurs only in exceptional cases in the case of investment funds.

If the permanent and unrestricted exercise of voting rights in the case of investment companies is to be transferred to a delegated/external portfolio manager or another third party, this requires an express contractual agreement, with the result that all voting rights as well as all associated reporting obligations are transferred to the delegated/external portfolio manager or other third party.

The respective delegated portfolio managers can be found in the relevant sales brochures/offering documents of the investment fund(s)/investment company(ies) in question.

4. Engagement Activities

HAFS manages its investment funds and investment companies on behalf of, among others, institutional investors/shareholders, asset managers, and family offices. As described in Section 3, HAFS is supported by investment advisors in the internal exercise of its portfolio management function and collaborates with delegated portfolio managers, whereby various investment strategies may be employed. The extent to which individual aspects of this engagement policy are taken into account in the managed investment funds/investment companies depends on various factors. Examples of these include (this list is not exhaustive):

- What is the investment strategy of the investment fund(s)/investment company?
- How is the portfolio management function structured, i.e., delegated portfolio manager vs. investment advisor? Are there any relevant companies in the portfolio of the investment fund(s)/investment company?
- How important is the investment in the relevant company for the investment fund(s)/investment company, measured by the share of the fund portfolio and the future performance outlook?
- Are there any relevant engagement issues with regard to the investment strategy of the investment fund(s)/investment company?

Exercising voting rights is not mandatory, which is why HAFS may choose not to do so. In this case, the "*Comply-or-Explain*" mechanism applies in accordance with Article 4 of the Act of August 1, 2019, and Article 3(g)(1)(a) of the ARR, under which HAFS must provide a justification for not exercising its voting rights.

Further information on the exercise of voting rights can be found in the relevant principles regarding HAFS's voting policy on our website www.hauck-aufhaeuser.com under "Legal Information / Investor Protection."

4.1. Monitoring of Relevant Companies

Essentially, HAFS's monitoring activities and measures can be divided into two categories:

i. Monitoring activities related to financial aspects (direct and indirect); and
ii. Monitoring activities related to non-financial aspects.

Various tools are used to carry out the relevant monitoring activities, e.g.:

- Bloomberg for financial information and to track the general performance of assets. It is also possible to retrieve non-financial information via Bloomberg;
- To monitor various governance aspects, relevant compliance programs are used to continuously monitor potential risks related to money laundering and terrorist financing;
- With the help of an ESG data provider, primarily non-financial aspects are assessed and monitored; and
- The involvement of a proxy advisor provides a solid foundation for and supports internal analyses.

The key aspects of oversight may take into account, among other things, the following elements of the relevant company:

- Executive Board/Supervisory Board/Board of Directors

  Responsible management and oversight of the company, focused on long-term value creation, are in the interest of its shareholders - the composition, activities, and compensation of the governing bodies should reflect this.

- Capital structure, capital measures, and share buybacks

  Capital measures and share buybacks are in the shareholders' interest provided they enhance the company's long-term prospects for success.

- Appropriation of profits

  The dividend policy should be consistent with the company's long-term strategy and be appropriate.

- Auditors

  The annual financial statements should present a true and fair view of the company's financial position, results of operations, and cash flows.

- Mergers and Acquisitions

  Mergers and acquisitions are only in the shareholders' interest if they are consistent with the company's long-term strategy.

- Shareholder interests

  Each voting share should, in principle, carry the same voting right ("One Share – One Vote").

- Non-financial performance and risks, such as social and environmental impacts

  HAFS is convinced that non-financial factors can have a significant long-term impact on a company's performance and, consequently, on its financial metrics. For example, social or environmental factors can have material effects on a company's operations, its enterprise value, and ultimately its continued existence. Companies with low sustainability standards are potentially more vulnerable to reputational, regulatory, and litigation risks.

Information from an ESG data provider is used primarily to account for non-financial aspects. In this context, HAFS receives information on a wide variety of ESG aspects and systematically evaluates them. This ensures a minimum standard is met and sustainability risks are taken into account.

4.2. Engagement with Relevant Companies

Constructive engagement with relevant companies is important in order to influence the decisions of those companies in the best interests of the investors/shareholders of the investment funds and investment companies under management.

If necessary, HAFS engages in dialogue with the relevant company either directly or by engaging a third party. The most important aspects of engagement include, among others:

- Exercise of voting rights: The most important factor in exerting influence on a company is the exercise of voting rights. When analyzing and making decisions regarding voting behavior, HAFS may rely on the support of a proxy advisor. In this context, we refer in particular to our voting policy, which you can find on our website www.hauck-aufhaeuser.com under "Legal Information / Investor Protection."
- Collaboration with other investors/shareholders: For certain issues, pooling voting rights through collaboration with other investors/shareholders (collaborative engagement) may be appropriate. Should such collaboration appear promising in the interest of investors/shareholders, HAFS may make use of this option.
- Engagement: Where deemed relevant, HAFS may engage in direct dialogue; such dialogue typically takes place between the management teams of the relevant company and the responsible portfolio management team or the management company/AIFM, which possess the expertise regarding the overall investment strategy. These dialogues may cover relevant topics, such as: business strategies, corporate governance structures, compliance and risk management, changes in capital structure, compensation issues, and socio-environmental risks.

To avoid potential conflicts of interest in the exercise of this engagement policy to the detriment of the investors/shareholders of the managed investment funds/investment companies, HAFS has implemented various organizational measures and published these in its Principles for Handling Conflicts of Interest. These can be found on our website www.hauck-aufhaeuser.com under "Legal Information/Investor Protection."

5. Transparency Regarding the Implementation of the Engagement Policy

In accordance with Art. 3 (g) (b) of the ARR, an annual engagement report is prepared and published on the HAFS website.

As of May 2026