

LRI Invest S.A. – Engagement Policy Shareholder Rights Directive II

I. General

In its capacity as Management Company and/or AIFM LRI Invest S.A. (LRI) is obliged to exercise shareholder voting rights in the best interests of the investors of the funds managed by LRI, independent of the interests of third parties, and in respect to the integrity of the financial markets. In addition, voting rights are exercised in accordance with the objectives of the investment policy of the respective fund and as generally laid down in our voting rights policy (https://www.lri-invest.lu/online/www/navMain/aboutus/32/312/contentContainerWide1/1442/1860/4373/ENG/Voting%20Rights%20Policy_LRII_20191125%20%283%29.pdf).

II. Exercise of voting rights

The voting rights associated with the investments of the managed funds are generally exercised for listed companies located in Luxembourg and Germany from a shareholding of 3% and above or in individual cases. For companies located in other jurisdictions, voting rights are only exercised if it appears reasonable after weighing up the interests and taking costs into account. The voting rights are exercised either directly or indirectly through a proxy.

III. Monitoring important company matters

The monitoring of important company matters (relating to strategy, financial performance and risk, capital structure and corporate governance, incl. ESG) is generally carried out by analyzing the legally required reporting by the companies in financial reports, ad hoc announcements, etc.

IV. Exchange of views with the company's bodies and stakeholders of the company

In principle, LRI has no direct contact with company's boards or other stakeholders in the investments managed in its funds.

V. Cooperation with other shareholders

As a matter of principle, LRI does not work with other groups of shareholders because the positions held are small compared with the market capitalization of the shareholdings. In individual cases, however, LRI is willing to cooperate with other groups of shareholders if it serves to protect the interests of the shareholders. LRI does not generally rule out such a cooperation.

VI. Dealing with conflicts of interest

LRI Invest S.A. introduced principles to deal with conflicts of interest which are subject to regular reviews regarding their relevancy and updated if necessary (https://www.lri-invest.lu/online/www/navMain/aboutus/32/312/contentContainerWide1/1442/1862/4260/ENG/20160127_Interessenkonfliktpolitik_ENG_L.PDF). Client interests always take precedence over those of LRI. All employees and company bodies of LRI are bound by these principles to ensure that the interests of clients are protected.

VII. Annual publication on the implementation of this Engagement Policy

Since the shares held by LRI in the managed funds generally represent only a very small and insignificant proportion of the listed companies and LRI's voting behavior normally does not have any influence on the voting results, LRI does not publish an annual report on the implementation of its engagement policy and voting behavior.

Status: October 2020