



Applicable entity/entities:

Waystone Management Company (IE) Limited (the “Manco”)

Waystone Management Company (IE) Limited – Luxembourg Branch (the “Lux Branch”)

Voting Rights and Shareholder Engagement Policy

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1. Introduction

This document sets out the approach taken by the Board of Waystone Management Company (IE) Limited and Waystone Management Company (IE) Limited – Luxembourg Branch (collectively “Waystone”) to Voting Rights and Shareholder Engagement.

2. Entity Background

Waystone Management Company (IE) Limited (“Waystone”) is authorised by the Central Bank of Ireland (the “Central Bank”) as an AIFM and UCITS Management Company to manage AIFs and UCITS Funds (collectively, “Funds” and each a “CIS”). Pursuant to the AIFMD and UCITS Regulations, Waystone has established a Branch in Luxembourg (the “Lux Branch”) to manage Luxembourg domiciled Funds. For the purposes of this policy, Waystone and the Lux Branch shall be collectively referred to as “the Manco”.

Investment activities performed on behalf of these CIS may be retained within the Manco or delegated to external Investment Managers or discretionary investment advisors (the “Delegates”).

3. Regulatory Requirements

In accordance with Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement, as implemented by the European Union (Shareholders’ Rights) Regulations 2020 (“SRD II”) amending the Companies Act 2014, the UCITS Regulations and where relevant Company Law, the Manco, to the extent the Manco or its delegated invest in shares of companies which have their registered office in a European Union member state (a “Member State”) and whose shares are traded on a regulated market on behalf of investors, is responsible for ensuring that systems and controls are established, implemented and maintained to ensure that:

- an engagement policy is publicly disclosed that describes how the Manco integrates shareholder engagement in the investment strategy of managed Funds, or publicly disclose a clear and reasoned explanation why they have chosen not to do so,
- a framework of policies, procedures and controls is established to ensure an adequate and effective strategy for determining how and when voting rights attached to instruments held in the relevant Funds are to be exercised, so that these rights attached to instruments held in the managed portfolios are to be exercised, and accordingly benefit mainly to the relevant Funds and their investors.

4. Purpose and Scope

The purpose of this policy is to define the minimum measures and procedures required by Waystone, where it is responsible to develop a strategy for the exercise of voting rights, to ensure that the voting rights attached to instruments held by the relevant Funds are exercised if and when such exercise has as its aim to maintain or improve the value of the instruments they are attached to.

5. Policy

Based on the “comply or explain” principle, a specific engagement policy for a Fund (or any sub-fund thereof) might not be publicly available where:

- i. Waystone did not contractually or by way of an operating memorandum impose the requirement of an engagement policy,
- ii. the investment manager of the Funds (or of the relevant sub-fund(s) thereof) does not have an engagement policy in place,
- iii. the investment manager of the Funds (or of the relevant sub-fund(s) thereof) has an engagement policy which does not fulfil the SRD II requirements,

- iv. the investment advisor or organ of decision of the Funds does not require to apply a specific engagement policy to the Funds (or to the relevant sub-fund(s) thereof).

Delegated Third-Party Investment Managers

When delegating the investment management function on behalf of a given UCITS or the portfolio management function on behalf of a given AIF, WAYSTONE usually agrees with the appointed investment manager of the UCITS or portfolio manager of the AIF to implement the following measures and procedures from a shareholder engagement and exercise of voting rights standpoints:

- Pre-investment phase research and due diligence performed by investment managers allowing to identify and assess the growth potential and key risks associated with a given target company, with possibility to engage directly with the management of such target company and, as the case may be, appoint experts to discuss particular aspects (such as environmental aspects);
- Monitoring of the corporate actions linked to the instruments held in the respective Funds (in conjunction with the central administrative agent/domiciliary agent of the Funds as the case may be);
- Ensuring that the exercise of voting rights is in accordance with the investment objectives and policy of the relevant Funds;
- Exercising voting rights if deemed appropriate;
- Preventing and managing any potential or actual conflicts of interest arising from shareholder engagement aspects or the exercise of voting rights. The conflicts of interest policy of the delegated investment manager or portfolio manager shall in particular:
 - identify, with reference to the activities of collective portfolio management carried out by or on behalf of a given Fund, the circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interest of such Funds and their investors;
 - define procedures to be followed and measures to be adopted in order to manage such conflicts.
- Verification that the investment manager has or not an engagement policy in place. In case no engagement policy has been put in place by the investment manager, a Fund specific engagement policy will not be publicly available.
- Verification if an annual disclosure by the investment manager (e.g., on its website) of the implementation of the engagement policy (including how it has been implemented, including a general description of voting behaviour, an explanation of the most significant votes and the potential use of proxy advisors' services) has been done. To distinguish between most significant votes (being subject to disclosure) and insignificant votes (not being subject to disclosure) qualitative criteria (e.g., due to the subject matter of the vote) or quantitative criteria (e.g., due to the size of the holding in the listed target company) may be applied. Based on the "comply or explain" principle such information might not be publicly available, e.g., in case the investment strategy of the Funds does not justify for such an implementation.
- Verification of a disclosure usually by the investment manager at least on an annual basis to Institutional Investors or by publicly available information of how the investment strategy and implementation thereof complies with applicable arrangements entered into with Institutional Investors. For the avoidance of doubt, WAYSTONE as third-party management company and alternative investment fund manager does in principle not enter into any agreement with Institutional Investors.

Where Waystone Acts as Investment Manager

Waystone may act as investment manager for UCITS and portfolio manager for AIFs.

With respect to UCITS for which Waystone acts as investment manager, the voting right and shareholder engagement strategies to be developed will not only depend on the investment strategy and nature of underlying investments but also on objective criteria relating to the effectiveness and relevance of the potential exercise of voting rights and shareholder engagement aspects attached to

such investments. By way of principle, Waystone when acting as investment manager for UCITS does not intend to participate directly or indirectly in the management of companies the shares of which are held in the portfolio of the relevant UCITS. Waystone shall instead consider the exercise of voting rights and shareholder engagement aspects in accordance with the best interest of the relevant UCITS and/or its investors. In practice, each decision subject to a vote as shareholder depending on a unique set of facts, these should be taken into account when determining whether the vote is in the best interests of the relevant UCITS and/or its investors.

It may be the case that based on the “comply or explain” principle, as further described in this section. 1) above, Waystone decides to not apply a Funds specific engagement policy and abstain from voting or to decline to vote when, on basis of a factual analysis, e.g., the cost of the exercise of a voting right exceeds the expected economic value of the effect of the vote on the underlying investment. For example, such a situation may happen when the shareholding held by the relevant UCITS in a given underlying investment is insignificant.

Waystone usually agrees with the initiator of the Funds how to best develop and implement the engagement policy specific to a Funds in the interest of such Funds, its investors and, as the case may be the listed target company.

Should an investment advisor be appointed in respect of the relevant UCITS or AIF, specific discussions may take place in order to determine and adopt the most efficient engagement and voting rights policy.

From a process perspective, once it has been decided how to exercise voting rights, Waystone may instruct external parties (e.g., the central administration agent of the relevant UCITS, the investment advisor or proxy advisor) to perform the necessary diligences and actions to formalise the decision taken.

With respect to AIFs for which Waystone acts as portfolio manager, given the heterogenic nature of the corporate governance arrangements at AIF level and/or the underlying investments, Waystone develops appropriate voting right strategies on a case-by-case basis

For AIFs investing into liquid assets only, a similar approach applicable to UCITS may also be applied to liquid AIFs.

Depending mainly on the investment policy and strategy of the relevant AIF and the arrangements agreed upon with the Institutional Investors, Waystone usually considers engagement in two manners: (i) engaging with target companies, mainly by meetings and direct communications with the senior management of such companies and/or (ii) exercising voting rights in the interest of such AIF, its investors and, as the case may be, the listed target company.

Further actions for engaging with listed target companies may be agreed upon with the Funds, its initiator and/or investment advisor.

Waystone, the initiator of the Funds and/or the investment advisor will also publish (e.g., on its website) at least on an annual basis how the engagement policy has been implemented, including a general description of voting behaviour, an explanation of the most significant votes and the potential use of proxy advisors' services. To distinguish between most significant votes (being subject to disclosure) and insignificant votes (not being subject to disclosure) qualitative criteria (e.g., due to the subject matter of the vote) or quantitative criteria (e.g., due to the size of the holding in the listed target company) may be applied. Based on the “comply or explain” principle, such information might not be publicly available, e.g., in case the investment strategy of the Funds does not justify for such an implementation.

Furthermore, Waystone, the initiator of the Funds and/or investment advisor will also disclose at least on an annual basis to Institutional Investors or publicly make available how the investment strategy and implementation thereof complies with the applicable arrangements entered into with Institutional Investors. For the avoidance of doubt, Waystone as third-party management company

and alternative investment fund manager does in principle not enter into any agreement with Institutional Investors.

6. List of Associated Procedures

This policy should be read in conjunction with the Proxy Voting and Class Action Policy.

7. Error/Incident Escalation Process

Where a specific error/incident is identified, these will be escalated immediately by the identifying party to the relevant department head/line manager, in line with the Manco's Procedure for Escalation of Breaches and Incidents. Where deemed material, the error/incident will be notified to the Compliance Team at complianceeurope@waystone.com.

8. Responsibilities

The Manco's Designated Person for Investment Management is responsible for the application of this policy.

The Designated Person for Investment Management reports on a quarterly basis to the Board of Directors with regards to the application of the policy and any issues arising.

9. Record Keeping and Monitoring

Waystone will monitor the existence and publication of the engagement policy and voting rights strategy by mainly:

- Performing a due diligence on the investment managers, portfolio managers or, if relevant, investment advisors' shareholder engagement policy and voting rights policy prior to appointment;
- Performing a regular review to assess:
 - the existence and publication of a shareholder engagement policy;
 - the monitoring process of corporate actions;
 - the monitoring process of applied voting strategies and their execution;
 - delegates public disclosures on how engagement is implemented;
 - if required disclosures are made on at least on an annual basis to Institutional Investors;
 - how delegates have detected and prevented and/or managed conflicts of interest.

Waystone may consider any other information to assess if implementation of the engagement and/or voting rights policy is in the interest of the Funds and their investors.

When acting in its own capacity as portfolio manager or investment manager, Waystone shall ensure to evidence and document that any investment decision taken and the exercise of voting rights or any other engagement related action are in line with this policy and, as the case may be, any Fund specific engagement policy.

In addition, Waystone verifies that the required annual disclosure in relation to the implementation (or at least an explanation in case of non-compliance) and disclosure to Institutional Investors of the relevant Funds will be performed.

Waystone's Portfolio Management Team is responsible for the supervision of these tasks and can delegate part or all of them to identified parties inside or outside of Waystone.

10. Disciplinary Action

Non-compliance with either the letter or spirit of Waystone policies may result in disciplinary action against an employee or employees, including, but not limited to: mandatory retraining, reduction in or loss of contingent employee benefits, and/or termination. The level of disciplinary action that may result is dependent on several factors, including: the severity of the event, whether the non-compliance was wilful or accidental, and the willingness of the relevant parties to engage in transparent and efficient escalation and correction of the matter.

It is the responsibility of all employees to remain aware of and follow Waystone's Policies and Procedures, and to escalate any incidents of non-compliance to their relevant supervisor and/or Risk or Compliance as the second line of defence.

11. Policy Review Frequency and Ownership

The Voting Rights and Shareholder Engagement Policy will be reviewed regularly and on an at least annual basis. Any changes to this Policy must be approved by the Board of Directors.

12. Disclosures to Investors & Third Parties

The Voting Rights and Shareholder Engagement Policy, or a substantive version thereof, shall be made available on the Waystone website, and a hard copy be provided on request by institutional investors.