



Engagement and Proxy Voting Policy of the C WorldWide Group

This engagement and proxy voting policy applies to the affiliates of the C WorldWide Group listed in Annex A.

This policy applies to the group's investments in listed companies on behalf of clients and investors in funds managed by the group. This policy applies to proxy voting where we are authorised to exercise voting rights on behalf of clients or investors.

This policy complies with article 3g of Directive (EU) 2017/828 as regards to the encouragement of long-term shareholder engagement.

Fiduciary Responsibilities

We have a fiduciary responsibility to our clients and investors to act in their best interests. We generally believe that it is in the best interest of our clients and investors to invest in companies that are committed to generating long-term sustainable returns for its shareholders and where we can further enhance this long-term value creation through shareholder engagement.

As active long-term investors, shareholder engagement is an integral part of our investment process. It is anchored directly with our portfolio management teams and is fully integrated in our investment processes including research, stock selection and portfolio construction as well as risk management. This is consistent with our fiduciary duty to consider all relevant information and material risks in investment analysis and the portfolio decision making process.

Shareholder Engagement

Monitoring

We are committed to encouraging sustainable business behaviour in the investee companies and monitor investee companies on relevant matters, including strategy, financial and non-financial performance and risk, capital structure and environmental and social impact and corporate governance (ESG).

Engagement

Engagement with investee companies is anchored with and implemented by the portfolio management teams directly and is fully integrated in our overall investment process. This approach is core to our stewardship responsibilities since we firmly believe it enhances the quality of engagement and ensures that the right factors are carefully considered.

Because of this direct portfolio manager commitment, engagement efforts do not begin or end with the purchase of a company's stock. Our engagement with investee companies is continuous, meaning that our approach and corporate dialogue is longer-term, supported by ongoing monitoring.



The decision to engage an investee company in relation to a specific matter and the method of engagement is made based on a proportionality consideration of a number of factors, including the size of the shareholding in the investee company, the importance of the matter, the reliability of the data, the possibility of effecting the behaviour of the investee company and the resources required to conduct the engagement.

We engage with the management of investee companies either directly through meetings or collectively with other investors through a third-party engagement service provider with global coverage. This approach gives us access to highly qualified specialists with a strong knowledge and a network that can be leveraged in the ongoing engagement with the investee companies on key issues, including ESG issues such as human rights, labour rights and environmental issues. In special cases we will also communicate or cooperate with other stakeholders in the investee companies.

Proxy Voting

We monitor all general meetings of the investee companies and exercise voting rights in investee companies. In general, we will vote in favour of proposals which we believe will benefit long-term sustainable returns to shareholders. Alternatively, we will vote against proposals that in our opinion will reduce long-term shareholder value.

Our votes are generally aligned across the various strategies we manage. In case of discrepancies between the views of two or more portfolio management teams on how to vote on a proposal, the issue will be discussed, and a final unanimous voting decision will be agreed by the relevant portfolio management teams. If the investors in the relevant strategies have different interests in the proposal the voting decisions shall be made by each portfolio management team in the best interest of the investors of the strategy managed by such portfolio management team.

In order to improve the quality and the breadth of our voting decisions, we have partnered with a leading proxy voting service provider with global coverage. In practice this means that we receive notice of all ballots in the investee companies, as well as research and vote recommendations reflecting our voting policy directions from the proxy voting service provider. We utilise proxy voting to emphasise the topics discussed with the investee companies in our ongoing engagement with them and to vote on key issues important to the governance of the investee companies.

Our proxy voting procedures incorporates the recommendations received from the proxy voting service provider, and we will as a general rule vote in line with these recommendations. However, the portfolio managers may occasionally disagree with the voting recommendations if they are not aligned with the portfolio managers' in-depth knowledge of an investee company and its management.

In addition to input from our proxy voting provider, our voting decisions incorporate our own company analysis and research, external sell-side research and analytical input from our external engagement research service provider.



In addition to exercising voting rights we exercise other rights attached to shares in investee companies in the best interest of our clients and investors.

Conflicts of Interests

Conflicts of interest may potentially occur in relation to our investments in investee companies owned or managed by our stakeholders (shareholders, members of management etc.). In order to manage such potential conflicts, there is no involvement of such stakeholders in our investment processes, and we do not invest in IPOs initiated by our shareholders.

If investors in two or more strategies have different interests in a proposal in an investee company the voting decisions shall be made by each portfolio management team in the best interest of the investors of the strategy managed by such portfolio management team.

Public disclosure

We will on an annual basis, publicly disclose on our website how our engagement and proxy voting policy has been implemented, including a general description of voting behaviour, an explanation of the most significant votes and the use of the services of proxy advisors. The annual disclosure shall include information on how we have cast votes in the general meetings of investee companies. Such disclosure may exclude votes that are insignificant due to the subject matter of the vote or the size of the holding in the investee company.

Application and Review of Policy

This policy applies as of 17 June 2020 and is reviewed as a minimum on an annual basis.

Approved on 17 June 2020

A handwritten signature in black ink, appearing to read 'Bo Knudsen', written over a horizontal line.

Bo Knudsen, Chief Executive Officer



Annex A

- C WorldWide Asset Management Fondsmæglerselskab A/S
- C WorldWide Fund Management S.A.