

## **STRATEGY FOR THE EXERCISE OF THE ATTENDANCE AND VOTING RIGHTS ATTACHED TO THE FINANCIAL INSTRUMENTS HELD BY THE UCITS UNDER MANAGEMENT**

In accordance with Schedule 5, paragraph 74, paragraph 75 of the European Communities (UCITS) Regulations 2011, Fideuram Asset Management (Ireland) dac (hereinafter also “**FAMI**”) adopted a set of procedures and measures to:

- monitor the corporate events related to the financial instruments held in portfolio by the UCITS under management, where required by the characteristics of the financial instruments incorporating the rights to be exercised;
- evaluate the ways and timing for the possible exercise of the attendance and voting rights, based on a cost-benefit analysis that also takes due account of the objectives and investment policy for each UCITS under management.

In this context, through the depositary bank, FAMI carries out a continuous monitoring of the significant corporate events and commits itself - consistently the principles set out in the *EFAMA Stewardship Code* and of the relevant best practice - to adopt and apply the following strategy for the exercise of the attendance and voting rights attached to the financial instruments held by the UCITS under management, to ensure that such rights are exercised in the sole interest of UCITS unit-holders.

On behalf of the assets under management, FAMI attends the meetings of selected listed companies, taking the relevance of such participation into account to serve the interests of the assets under management and the ability to influence the decisions concerning the voting shares held.

With specific reference to the reasons on which the choice to exercise the attendance and voting rights are made, FAMI identified the following criteria:

- participating in the shareholders' meetings of those companies in which a relevant amount of the share capital is held or that represent a large amount of the asset managed for each specific portfolio;
- participating in those meetings considered relevant to protect or to support the interests of the minority shareholders;
- contributing to choose the statutory auditors or directors through the mechanism based on lists, representing the minority shareholders;
- participating in the meetings held to decide on extraordinary corporate events if, depending on the interests of the assets under management, their participation is needed to support or oppose the proposed event.

In no event FAMI binds itself to voting or blocking unions.

The participation in a given meeting and the exercise of the voting rights are authorised by the Managing Director of FAMI on the basis of the proposal received, where requested, from ESG & Strategic Activism corporate function in Fideuram Asset Management SGR S.p.A. and the guidance provided by the relevant FAMI Portfolio Managers and by any FAMI corporate functions devoted to *ESG & Strategic Activism*.

In this respect, *ESG & Strategic Activism* where requested defines the proposals on the voting instructions based on the analysis and further examinations carried out on public documents, the results of any interaction with the issuing company (so called *engagement*), the statements made by the Advisor specialised in the research supporting corporate governance decisions and voting recommendations, as well as the guidance provided by the relevant FAMI Portfolio Managers and by any FAMI corporate functions devoted to *ESG & Strategic Activism*.

The Managing Director shall define the vote to be expressed and the specific requests to be submitted in the interests of the investors, independently from any form of influence both internally and externally of the Company and shall designate the ways of participating to the meeting.

In this respect, FAMI aims to prevent the circulation of information among the Intesa Sanpaolo Group, outside the Investment Center, concerning the exercise of the voting rights attached to the holdings under management, or inside each company among the organisational structures subject to segregation (so called “Chinese Wall”).

FAMI considers the exercise of the voting right attached to the financial instruments held by the assets under management issued by group companies or companies with which the Company, its key shareholders or the group companies have strategic relationships, or for which the companies, that fall within the group that FAMI belongs to, appoint or designate one or more members of the corporate bodies as a situation of conflict of interests. FAMI has therefore adopted a conflict of interest policy to safeguard the decision-making autonomy of

FAMI when making the choices concerning the provision of management services. In this context, as a preventive measure of their neutralisation, FAMI does not exercise the voting right attached to the shares belonging to the assets under management issued by parent companies, whether directly or indirectly, or for which the companies that fall within the group that FAMI belongs to, appoint or designate one or more members of the corporate bodies. This is without prejudice to the possibility for FAMI to aggregate the shares held by the assets under management issued by these companies, to reach the minimum stake required by the regulations from time to time applicable for the submission of lists of candidates for the renewal of the corporate offices of the companies concerned.

With reference to the exercise of the attendance and voting rights, it should be noted that FAMI can delegate, on individual meetings, specialised third party Companies or individuals, giving explicit instructions for voting.

In any case, FAMI does not issue a proxy to any group companies or their representatives to exercise the voting right attached to the shares held by the assets under management. This provision does not apply to other management companies belonging to Intesa Sanpaolo Group. FAMI shall however ensure that the exercise of the voting right by the delegated party is performed in compliance with the interest of the UCITS unit-holders or of their clients. If this is believed to be the most efficient way in the interest of the assets under management, FAMI shall also reserve itself the right to use the proxy voting or the "e-voting" possibly provided by the issuers.

In the exercise of the corporate rights related to the selection and appointment of candidates for election in the administrative and control bodies of the companies listed on the Italian Stock Exchange, in the minority lists, as representatives of the institutional investors, FAMI shall adhere to the principles and criteria identified by the Corporate Governance Committee of Assogestioni that define the requirements of professionalism, integrity and independence of the candidates as well as the conditions of ineligibility and incompatibility. In this respect, FAMI shall also refer to the Self-Governance Code for the companies listed on the Italian Stock Exchange and to the international best practice principles.

By adhering to the "United Nations Principles for Responsible Investments" (UN PRI), FAMI shall pay special attention to the policies implemented by the issuers in which it invests, on behalf of the UCITS under management, being convinced that sound corporate policies and governance practices (incorporating environmental, social and governance issues) are able to create value for the shareholders, over the long term. In this context, the specialised research used by FAMI, to support its investment decisions and the exercise of the attendance and voting rights, also includes information on environmental, social and governance attitude of the issuers, aimed at identifying their possible impacts on of reputation, risk and business opportunities. for the company.

According to their relevance, FAMI shall give transparency to the vote expressed and the behaviours held in the attendance and the exercise of the voting rights through a special note included in the foreword to the annual report. FAMI shall nevertheless formalise and keep those documents showing the decision-making process used for the exercise of the voting rights and the reasons for the decision made.

The Board of Directors of Fideuram Asset Management (Ireland) dac shall check the correct application of principles and procedures concerning the exercise of the administrative rights attached to the financial instruments held by the assets under management including by using the specialised support of the Compliance structure.

At least once a year, FAMI shall monitor the effectiveness of the measures taken to exercise the attendance and voting rights and, anyway, shall review the Strategy adopted.

FAMI makes this Strategy and any updates available to the UCITS unit-holders, on its website [www.fideuramireland.ie](http://www.fideuramireland.ie).