

VOTING POLICY

July 2021

Scope	<p>This policy is applied by Quaero Capital SA, Quaero Capital LLP and Quaero Capital (France) SAS (each a "Quaero Entity" and together, "QUAERO") with respect to listed investments held by a collective investment scheme managed by a Quaero Entity¹ other than managed accounts or dedicated vehicles not marketed to third parties (each a "Fund").</p>
Objective	<p>The purpose of this policy is to set out the guidelines for the exercising of voting rights in respect of securities in which QUAERO invests for and on behalf of Funds. This policy is designed to ensure that where QUAERO has the authority to vote proxies, QUAERO complies with its legal, fiduciary, and contractual obligations, as applicable.</p> <p>Pursuant to Section 23 of the Federal Act on Collective Investment Schemes and the SFAMA Code of Conduct, Quaero Capital SA has a duty to vote independently and solely in the best interests of its clients.</p> <p>Article 37 of Commission Delegated Regulation 231/2013 ("AIFMR"), requires Quaero Capital LLP and Quaero Capital (France) SAS to have a policy for determining when and how any voting rights attached to instruments held in the managed portfolios are to be exercised, to the exclusive benefit of the concerned Fund and its investors.</p>
Policy	<p>1. General principles</p> <p>Quaero views proxy voting as an integral part of its investment management responsibilities. Proxy voting and the analysis of corporate governance and corporate responsibility issues are important elements of the portfolio management services.</p> <p>QUAERO has established a series of principles to be applied by Portfolio Managers when exercising voting rights attached to securities within the Funds.</p> <p>These principles are as follows:</p> <ul style="list-style-type: none"> • to act in the best interest of the Funds • to act independently from any conflict of interest relating to the security being voted • to ensure voting rights are exercised in accordance with the portfolio's objectives and investment policies

¹Note: this policy does not apply to Quaero Capital Funds (Lux) – Yield Opportunities and Quaero Capital Funds (Lux) – World Opportunities which are sub-managed by asset managers outside of the Quaero Group. It does not apply either to the strategies run in the following funds: Quaero Capital Funds (Lux) – Global Convertible Bonds, Quaero Capital Funds (Lux) International Equities, Quaero Capital Funds (Lux) – Global Balance

- to take into account any costs associated with voting (including but not limited to high administrative costs or share blocking requirements that “lock up” securities, which would limit liquidity or access to market opportunities)

2. Applicable rules

a. Voting guidelines

Proxy voting will be exercised taking into the Voting Guidelines set forth in Appendix 1 (the Voting Guidelines). The ESG Team is responsible for ensuring that Voting Guidelines are kept up to date where necessary to reflect changes in circumstances and actual practice and properly stored.

QUAERO may supplement its internal research with external advisory services, such as proxy advisory firms. However, unless otherwise set forth herein, QUAERO will retain full and independent discretion with respect to proxy voting decisions.

Voting Guidelines describe QUAERO’s general positions on various issues but are not intended to be exhaustive or prescriptive. Each Portfolio Manager retains ultimate discretion to vote.

Under normal circumstances, QUAERO will not vote on the following cases:

- Share-blocking requirements;
- When a position is engaged in securities lending;
- When meeting attendance is required to vote;
- When the disclosure of beneficial ownership is required to vote;
- In relation to securities held by systematic funds;
- In case of an investment in a fund.

b. Voting process

Proxy voting will be completed through an online platform by the Portfolio Manager of each Fund with the support of the ESG Team.

c. Record keeping

The ESG Team will maintain:

- A record of each proxy executed and the reasons behind each voting decision if such decision was inconsistent with the Voting Guidelines;
- A record of each proxy abstained and the reason behind the abstention.

3. Conflicts of interest

a. Firm level

When evaluating any given proxy, the portfolio management team will consider whether there is a potential conflict relating to the security being voted, including but not limited to the following:

- A Portfolio Manager or member of Management of QUAERO is also a board member or major shareholder of the issuer of the security being voted;
- A large client of QUAERO is also a board member or major shareholder of the issuer of the security being voted.

Any such conflict of interest will be notified to the Chief Compliance Officer of the relevant Company. If CCO deems the conflict to be material, CCO will determine whether the vote proposed by the Portfolio Manager is in the best interests of the Fund. If the CCO cannot conclusively determine that the vote is in the best interest of the Fund, the CCO may recommend refraining from voting or seek the advice of an independent third-party service to provide the proxy voting recommendation. The process will be documented by the CCO.

b. Personal level

There may be occasions where a QUAERO employee has a known personal relationship with corporate directors, corporate director candidates or other roles on a company board.

All QUAERO employees with proxy voting responsibilities are required to report any known personal conflicts of interests regarding proxy issues with which they are involved. In such instances, the Chief Compliance Officer of the relevant Company will log the conflict of interest and review the Portfolio Manger's decision on the vote.

4. Reporting

Once a year, the ESG Team will prepare a report to the Management Committee detailing voting undertaken by QUAERO, highlighting the % of votes completed, as well as when and why votes have been taken against board recommendation and/or Voting Guidelines.

Said report should also be made available to the Management Companies of the funds upon request. A summary of the said report will also be made available on QUAERO's website.

5. Class actions

QUAERO will not take part in class actions.

APPENDIX

Proxy Voting Principles

1. **Financial statements & audit approval** – QUAERO will approve accounts so long as there is no reason to question their reliability. QUAERO will vote to approve auditors when we regard them as independent.
2. **Board of Directors** – Quaero supports resolutions that promote the effectiveness of boards in acting in the best interest of shareholders. This includes consideration of independence, experience, diversity and aligned interests.
3. **Executive Compensation** – Quaero supports compensations packages that ensure alignment of interest between the executives and shareholders. Performance incentives should be long-term in nature and should include equity allocation. Compensation packages considered excessive will not be supported.
4. **Share issuance** – Quaero will vote according to the interest of current shareholders and will look to avoid risk of dilution of shares. There may be instances where share issuance is beneficial, when used for employee incentives for example. Quaero will review each situation on a case-by-case basis.
5. **Mergers & Acquisitions** – Quaero will review each situation on a case-by-case basis, considering strategic, financial and governance risks and benefits associated with the transaction.
6. **Environmental and Social Issues** – where it aligns with the best interests of shareholders, Quaero will vote to encourage companies to increase transparency regarding their environmental and social policies and impacts.

Proxy Voting Guidelines

OPERATIONAL ITEMS

Financial statement, director report and audit approval

We will vote against approval of the accounts when:

- The date of publication does not allow proxy voting shareholders sufficient time to review the information prior to the vote
- There are concerns on reliability of the accounts or followed procedures

Appointment and compensation of auditors

We will vote against the appointment and compensation if:

- There are serious concerns about the procedures used by the auditor
- The auditors are being changed without explanation
- Issues regarding the tenure, fees and independence of the auditors are not in line with best market practice
- Conflicts of interest arise through high non-audit fees charged by the auditor

BOARDS OF DIRECTORS

Board structure

We favour the separation of the Chairman and Chief Executive Officer roles and will vote accordingly. We do, however, recognise the combination of the roles may be called for in certain situations. For smaller companies the separation of the two roles may not be the most effective structure.

Additionally, we take a flexible stance on board structure and composition when investing in companies with a controlling founding family ownership. Often this results in the CEO and Chairman roles to be held by the same person, and it can also result in fewer independent directors on the board than would otherwise be preferable. We believe the benefits of these founding; long-term investors outweigh the corporate governance risks.

Board Composition

The Board of Directors provides strategic direction for a company, and therefore benefits from the diversity and expanse of experience. We encourage companies to recruit board members from a variety of backgrounds and ethnicities, and to make every effort to recruit women to levels of fair representation.

We prefer boards where:

- Majority non-executive directors, majority of which should be independent
- An independent lead director is appointed when the role of CEO and Chairman are combined
- Size ranges from 5 to 18
- There is diversity of gender, age, nationality, educational background, and experience

We review nominated directors on a case-by-case basis and will vote accordingly.

We consider a director independent if he/she:

- Is neither a salaried employee or corporate officer of QUAERO, and has not been for the past 5 years
- Is neither a salaried employee nor corporate officer of a significant shareholder
- Is neither an employee nor a corporate officer of a significant partner
- Has no family ties with a member of the executive management or a director
- Has not been a statutory auditor of QUAERO during the past 5 years
- Has not been a member of the board of directors for over 12 years

Board Committees

We believe it is particularly important that there exist three specialised committees that report to the board: an Audit committee, Nomination Committee and Compensation Committee.

Due to the important role played by the Audit Committee in preventing conflicts of interest when auditing accounts statements, internal control procedures and the choice of statutory auditors, we recommend at least a majority of the committee members are independent. If this is not the case, we will consider voting against a director nomination.

To be free of conflicts of interest, the compensation committee chairperson and the majority of its members should be independent. If this is not the case, we will consider voting against a director nomination.

We accept the presence of representatives of significant shareholders on a nomination committee in proportion to their equity or voting stake in the company, but not for audit or remuneration committees.

For those companies that are small to medium sized, we encourage the establishment of such committees when possible.

Board Responsiveness

We believe that boards should acknowledge and respond sufficiently to votes that receive less than 80% support from shareholders. An issue that raises over 20% shareholder dissent should be properly examined.

Board Diversity

We believe that boards made up of directors with diversity of perspectives, experiences and backgrounds can provide most value for organisations. We do not base voting recommendations on any specific quota level but may vote against the nominating committee chair when a board fails to meet legal requirements or the best practice standard in a market without sufficient explanation.

EXECUTIVE COMPENSATION

We believe that a properly constructed compensation plan should include equity ownership to align management incentives with those of shareholders.

We prefer compensation plans with sufficient weight to long-term over short-term performance, and vote against plans that are overly dilutive or that appear excessive. We also expect transparency over how bonuses are granted and against which performance targets.

Other elements we will review and consider when voting are:

- Sufficient disclosure on remuneration practices
- Remuneration that appears excessive
- Concerns about board accountability

We will consider voting against the proposed remuneration policy if:

- Performance targets are changed retrospectively
- Substantial one-off payments are made without performance criteria
- Golden handshakes / parachutes

We consider severance arrangements on a case-by-case basis.

ALLOCATION OF INCOME AND CORPORATE ACTIONS

Allocation of income

We recommend shareholder return policies that are consistent with a company's earnings and leverage, and that are to the benefit of shareholders. We will vote against the return of capital to shareholders when it seems to go against the long-term interests of QUAERO, often when we see a history of poor capital management.

Corporate actions

We generally approve the following requests:

- Share issuance with pre-emptive rights for less than 100% over issued capital
- Share issuance without pre-emptive rights and no mandatory priority period, within a limit of 10% of the issued capital when the proceeds are not intended for a specific purpose
- Share repurchase plans, within a limit of 15% over currently outstanding capital

We vote against requests to increase capital in the event of demand exceeding amounts submitted to shareholder vote, that would lead to a breach of the maximum dilution thresholds set above.

We review proposals to approve debt issuance, or to reduce capital, on a case-by-case basis.

Mergers & Acquisitions

We vote to approve mergers and acquisitions, unless:

- There is insufficient information provided to make an informed decision
- Voting rights are altered disproportionately
- The structure following the activity does not display good governance
- The merger appears to not be in the best interest of the shareholders

Authorities impacting the share capital that can be used during a takeover period

In the event of a public offer, we believe it is down to shareholders to make their decision on a case-by-case basis. We will therefore oppose anti-takeover mechanisms.

Share issuances reserved for a category of investors

We are not in favour of routine requests for share issuances without pre-emptive rights and reserved for specific beneficiaries unless QUAERO can provide specific justification. We would consider such requests on a case-by-case basis.

Share issuances reserved for employees

We encourage employee stock ownership, and therefore set no limits to their ownership of capital. We vote in favour of capital increases reserved for employees, providing the following conditions are respected:

- The discount does not exceed 20%
- The volume of shares awarded remains under a threshold set at 10% of outstanding capita

Anti-Takeover Devices

We believe that any provision intended to prevent a potential takeover of a company is not conducive to good corporate governance and can substantially reduce shareholder returns.

GENERAL CORPORATE GOVERNANCE MATTERS

Bundled proposals

We are not in favour of bundling together proposals that could be presented as separate voting items.

Voting rights attached to shares

To ensure the equal treatment of shareholders, we support the 'one share one vote' principle.

Shareholder loyalty schemes

We encourage long-term ownership and are therefore in favour of bonus dividends or loyalty shares for shareholders who hold their shares for two years or more.

SOCIAL AND ENVIRONMENTAL ISSUES

We believe that companies have a responsibility to pay due attention to environmental and social issues; a failure to do so can present direct legal, financial, regulatory and reputation risks that can harm company value and shareholder interests. Therefore, we believe that companies should have a sufficient oversight structure in place, including where appropriate board-level responsibility. Where it is clear that a company has not properly managed environmental and social risk, it will consider voting against members of the board who are responsible for oversight of such risks.

We expect companies to report on environmental, social and governance issues which are considered material to the company. We may vote against either the committee or director responsible for sustainability, or in their absence against the chair of the audit committee if this is not the case.

We are in favour of resolutions that encourage a company to improve its environmental and social practices, as long as they are in the interests of shareholders. Good social and environmental responsibility enhances a company's chances of long-term success and may be to the benefit of shareholders.

These resolutions are analysed on a case-by-case basis.