QUINTET
ASSET MANAGEMENT

Quintet Asset Management S.A.

Active Ownership Policy and Procedure

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General Information

Process Owner (Entity): Quintet Asset Management S.A. (“QAM”)

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Reviewing Entity(ies)

Responsible	**Entity**	**Date**
Jefferson Marcon Avelino	QAM	27.08.2025

Approval Authorities

Responsible	**Entity**	**Date**
Board of Directors	QAM	01.09.2025
Authorised Management	QAM	01.09.2025

Versioning

Version	**Effective Date**	**Changes**
01	28.03.2021	NA (Quintet Asset Management Policy)
02	17.06.2024	Update of Engagement priorities
03	01.09.2025	Update for Quintet Asset Management S.A.

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I. KEY DEFINITIONS

- **Active ownership –** Represents actively exercising one's rights as the shareholder and/or bondholder of a company, particularly active engagement with management, voting at Annual General Meetings (AGMs), and discussion on both financial and non-financial environmental, social, and governance (ESG) factors.

- **Engagement –** The act of undertaking constructive dialogue with another entity with a view to improve environmental, social, and governance (ESG) practises.

- **Sustainability risk –** An environmental, social or governance (ESG) event or condition that, if it occurs, could cause a material negative impact on the value of the investment.

- **Voting –** Shareholders (typically) receive – and can choose to exercise – voting rights to be cast at annual or extraordinary general meetings on a range of strategic and environmental, social, and governance (ESG) matters.

- **Quintet** – Quintet Private Bank Europe (S.A.) is the mother company of Quintet Asset Management S.A. ("QAM").

II. PURPOSE

The aim of this document is to summarise QAM's active ownership processes and approach with Investee companies and third-party fund managers.

QAM's approach to active ownership includes monitoring the investments we make, identifying environmental, social and governance (ESG) issues, strategic problems, or opportunities for improvement, engaging with investment managers or management teams, voting at general meetings, and other efforts to encourage positive change for the long-term benefit of our clients and the world.

We believe we can create better outcomes for our clients by actively engaging when we invest. Our investment policy emphasises our ability to create positive change by being active owners, which we believe to be vital to improving long-term investment returns for our clients. Actively exercising the influence we have as an investor and investment manager is consistent with both the fiduciary duties we have for our clients and our objective to be a sustainable company.

QAM regards exclusions as a last resort, when active ownership has proven unsuccessful, or is infeasible, and further investment would be incompatible with our principles and the best interests of our clients.

Since we also invest client assets with other asset managers, we hold them to the same high standards regarding active ownership, and we engage with those managers to ensure that they are active owners on behalf of our clients.

The Active Ownership Group ("AOG") operationalizes the Active Ownership Policy. The AOG consists of members from different disciplines and functions within Quintet and meets periodically to discuss the strategy, implementation, and progress.

The owner of this document is the Authorised Manager in charge of Portfolio Management.

This policy has been approved by the firm's Authorised Management Committee and is to be reviewed annually.

Effective: 01/09/2025

III. TARGET POPULATION

QAM provide Investment Fund Management services to a range of collective investment vehicles domiciled in Luxembourg (the "**Funds**"), the Netherlands and Germany.

A number of these Funds invest in "shares traded on a regulated market" as prescribed within local laws and regulations which transposed Directive (EU) 2017/828 into local laws (collectively "**SRD II**") as updated and modified from time to time.

QAM is defined as a "relevant asset manager" under SRD II, has adopted and published this Active Ownership Policy to outline the approach it has taken to meet its obligations as prescribed under SRD II.

Our active ownership policy applies to our direct corporate investments in both equity and debt securities. This policy applies to Asset Management (assets managed through QAM mutual funds);

Voting is currently implemented for direct line equities on in-house funds managed by and held in Rivertree funds. The principles of active ownership apply to all investments.

Delegation

In respect of the Funds which invest in Listed Companies QAM may, delegate the portfolio management function to an Investment Manager and QAM will oversee the performance of each delegated Investment Manager thereafter.

As a result, it is the delegated Investment Manager of each of the Funds who will select the investments of each of the Funds and, in the context of Listed Companies, where relevant, engage with the Listed Companies prior to investment and an ongoing basis thereafter.

To that end, QAM will ensure that for each delegated Investment Manager which invests in Listed Companies, that an appropriate Active Ownership Policy is implemented by such Investment Manager, as determined by the extent to which engagement activity (as outlined below) is relevant to the investment philosophy of the Investment Manager.

The Shareholder Engagement Policy/Active Ownership Policy of each delegated Investment Manager shall describe how, and to what extent, such Investment Manager:

1. Integrates shareholder engagement in the Funds' investment strategy;

2. Monitors the Listed Companies on relevant matters;

3. Conducts dialogues with the Listed Companies;

4. Exercises voting and other rights in the shares of Listed Companies;

5. Co-operates with other shareholders of the Listed Companies;

6. Communicates with the stakeholders of Listed Companies in which they have invested; and

7. Manages conflicts of interest.

QAM shall ensure that the delegated Investment Manager's Active Ownership Policy is made available on the website of such Investment Manager, or on any such other platform which is easily accessible for the investors of each fund. Each Policy shall be made available free of charge.

Opt-Out

There may be instances where QAM delegate portfolio management to Investment Managers who may not deem it appropriate to adopt and publish an Active Ownership Policy.

In such instances, QAM shall ensure that where such Investment Manager decides to not adopt and publish an Active Ownership Policy that a disclosure to that effect is made publicly available on the website of such Investment Manager, or on any such other platform which is easily accessible for the investors of the fund explaining the decision taken.

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IV. POLICY PROVISIONS

4.1. Engagement

4.1.1. Engagement principles

The primary focus of QAM's engagement is to address companies' key risks, challenges, and opportunities, covering environmental, social, governance, strategy, risk and communication matters. Our ultimate objective is to create value for investors, the company, and people and the planet.

Since QAM represents a diverse group of clients with diverse holdings across the investment universe, we invest in a wide range of companies. As many of these companies are large, our direct investments may be small relative to the size of the firm. To be effective in engaging with these companies, we believe that collaborative engagement is likely to achieve better results than efforts we might undertake on our own. We have therefore hired specialised external service providers to conduct engagement and voting on our behalf. In cases where collaborative engagement is not practical, we may undertake direct engagement ourselves with the companies we invest in.

QAM has instructed its engagement partner to give special attention to companies that violate the principles of the UN Global Compact, or that have experienced significant ESG controversies. The engagement priorities for 2021 continue to be focused on the most material drivers of long-term value, with four priority themes: climate change, human and labour rights, human capital management and board effectiveness. Engagement priorities are reviewed annually, and we provide our insights and priorities as part of the priority-setting process with our service provider.

Climate change is an ongoing priority. Quintet is a member of Climate Action 100+, a collaborative investor engagement initiative that seeks to ensure that the world's largest corporate greenhouse gas (GHG) emitters take action to reduce GHG emissions. We believe this is a logical step to protect our planet, as we recognise the importance of climate risk for our investments. Investors participating in Climate Action 100+ engage the world's largest 100 "systemically important emitters" and 60 other companies that have been identified as being key to the transition to a net zero emissions economy.

4.1.2.

4.1.3. Engagement priorities (2024-2026)

In 2023, extreme weather-related events, ranging from wildfires in Canada and the Mediterranean, to floods in California and South Korea, served as stark reminders of the consequences of failing to limit climate change to 1.5°C. At the same time, the energy 'trilemma' which defined 2022 – managing climate risks while ensuring energy security and affordable access to energy – continued into 2023. However, the US Inflation Reduction Act (IRA) of August 2022 underpinned an increase in renewable energy and clean tech investment2 and energy prices eased in many markets, helping to reduce inflationary pressures, although a 'cost of living' crisis persists in many markets. Geopolitical tensions remained heightened in 2023, with no sign of an end to the war in Ukraine and the destabilisation of the Middle East through the Israel-Gaza conflict. We continue to engage with companies on how they address geopolitical risks facing their businesses and their approach to safeguarding human rights in high-risk regions. During the course of 2023, biodiversity and artificial intelligence (AI) continued to rise up policy makers' and company and investor agendas, and we will continue to intensify our engagement on these topics. Over the next year, EOS will continue to focus on the most material drivers of long-term value, with a focus on four priority themes::

- **Climate change:** The emphasis of our engagement remains focused on companies having a strategy and greenhouse gas emissions reduction targets aligned to the Paris Agreement, seeking to limit climate change to 1.5°C, together with aligned financial accounts and political lobbying. The recent UN Emissions Gap report, which stated that greenhouse gas emissions must still fall by 28% by 2030 to achieve the Paris Agreement 2°C pathway, and 42% for the 1.5°C pathway, highlighted the urgency with which companies and governments must seek to limit and reduce greenhouse gas emissions. In seeking Paris Agreement-aligned transition plans, we will evaluate the credibility of company transition plans including their reliance on technologies and seek to ensure that the governance oversight of investments adequately tests risks and dependencies. We will also continue to engage with companies in high methane emitting sectors to deploy the best available technology to identify and mitigate methane emissions, continue to engage on physical climate risks and work towards a 'just transition' for employees and communities.

- **Human and labour rights:** We expect companies to acknowledge the likelihood that human rights impacts are present within some operations and supply chains and to demonstrate appropriate board- and executive level governance of human rights. We will further focus on the protection of indigenous and community rights, and human rights in high-risk regions such as disputed territories or areas of conflict. We also continue our emphasis on supply chain rights with an elevated risk of forced labour, unsafe working conditions, and other adverse human rights impacts. We will further be amplified by the use of AI. In the next decade of implementation of the UN Guiding Principles (UNGPs) on Business and Human Rights implementation – '10 or UNGPs 10+', we will consider recommending votes against directors of companies where material breaches are not being adequately remediated or if the company lags on human rights benchmarks. Focus on the protection of digital rights in the virtual world, such as challenges to the right to data privacy, the right to freedom of expression and protection from unfair biases arising from artificial intelligence

- **Human capital management**: Amid anxiety about negative AI impacts from redundancies to bias in hiring and the cost-of-living crisis driving renewed interest in collective bargaining, we are intensifying our engagement on upskilling workers. Furthermore, we will maintain our focus on diversity, equity, inclusion and representation; asking companies to develop a strategy and action plan to close the ethnic pay gap and achieve proportionate ethnic and gender representation at all levels. We will also challenge companies to consider an expanded range of diversity metrics beyond representation, including those related to engagement and sense of belonging, upskilling and advancement, and pay gaps for different groups and to report on workforce changes and wider employee engagement. Our engagement on health and safety will extend to mitigating climate related risks in the workplace (such as heat-stress) and continued focus on mental wellbeing and actions to halt continuing incidences of sexual harassment..

- **Board effectiveness:** In 2024 to enhance the quality of board performance, which is foundational to good corporate decision-making, we will focus on improving board diversity, including improvements to ethnic diversity that at least match the recent progress on gender diversity, with the goal to achieve representation reflective of the diversity of the stakeholders it aspires to serve. We remain committed to improving a board's "software", relating to how it functions, in addition to its "hardware", relating to its composition and structure. The board should continuously monitor and assess the prevailing company culture to ensure it is in line with the company's purpose, strategy and values.

- **Biodiversity:** We expect companies to address marine and terrestrial biodiversity loss across their value chains, in line with the COP15 mission to halt and reverse biodiversity loss by 2030. Given the high impacts and dependencies of the food system on biodiversity and ecosystem services, the retailing and production of food will remain a priority, as well as other sectors with significant impacts, such as mining and agrochemicals. We expect companies to reduce their impacts on biodiversity across the value chain, following the mitigation hierarchy, and aim for a net-positive impact on biodiversity as best practice. Depending on the specific company context, engagement will cover issues including deforestation, water-stress, regenerative agriculture, antimicrobial resistance (AMR), sustainable proteins and chemical runoff management. As we outlined in EOS' white paper on biodiversity, published in February 2021, as a priority companies must identify, assess and measure their impacts and dependencies on biodiversity and ecosystem services, in line with the 2023 Taskforce on Nature-related Financial Disclosures (TNFD) recommendations. They should use the insights from the TNFD assessment to develop strategies, targets and actions plans focused on their most material risks and impacts..

- **Digital rights and AI:** We will continue to engage companies on our Digital Rights Principles (2022), which outline our expectations for responsible development and deployment of AI. Digital products and services can play a critical role in strengthening human rights but have also brought unanticipated harms and new challenges. We will engage companies on negative societal impacts including problematic content on social media; reinforcement of unintended bias; and health and safety impacts on children and youth. We expect companies to balance freedom of expression with obligations to remove problematic content and take actions to respect privacy rights online. While the accelerating deployment of AI is creating new opportunities for companies, it also brings with it the potential for workforce disruption, regulatory infraction or reputational damage, and we will be engaging with companies on how they mitigate these risks.

4.1.4. Third party engagement:

We believe engagement and proxy voting for equity funds are crucial elements to assess and influence the behaviour of investee entities.

QAM allocates a significant portion of its client's assets to external managers. In addition to engagement for direct lines, QAM – through Quintet Group Fund Selection Team - engages with external fund managers. Active ownership to create sustainable investor value is important for all investments, and we incorporate this conviction into the selection and monitoring of external managers. We also engage with these managers to communicate our beliefs and to understand theirs, and for insight into their active ownership policy and practice.

We urge funds to be transparent about the way they have implemented sustainability into their portfolios and how they have executed their sustainable fiduciary responsibilities. We require all funds on our approved fund list to act as active owners and engage with the companies they invest in and use proxy voting where applicable. (see fund due diligence process for more information.)

4.2. Proxy voting

4.2.1. Voting principles

The primary focus of QAM's decisions is good governance of the organisation, including the management of material environment and social risks. Governance structures that drive performance, create shareholder value and maintain a proper tone at the top are key to mitigating risk and building long-term shareholder value. Boards that work to protect and enhance the best interests of shareholders are independent, diverse, have a record of positive performance, and members with a breadth and depth of relevant knowledge and experience.

Our voting policy, which draws upon the expertise of our external service provider, Glass Lewis, emphasises governance, environmental, and social matters. We have partnered with Glass Lewis, a proxy voting provider to provide research and technically implement voting. The Active Ownership Group reviews in detail voting when the investment is large or there is an increased level of controversy, or on request from members of our investment team, as further explained in **Appendix 1 – Voting Execution.**

4.2.2. Voting priorities

I. Composition, independence, and accountability of the board

The composition of boards should aim at generating objective decision-making to deliver sustainable value to shareholders and other stakeholders of the corporation. The board should act on an informed basis and in the best long- term interests of the company with good faith, care and diligence, for the benefit of all shareholders and key stakeholders.

QAM believes that boards should work to protect and enhance the best interests of shareholders and key stakeholders. To exercise proper governance, boards should be independent, have directors with diverse backgrounds and perspectives, have a record of positive performance and have members with a breadth and depth of relevant experience. Board composition should consider the expertise necessary to understand and address emerging risks facing the company and the necessary skills and experience should be present on the board and in its committees.

Our voting services provider has codified their approach to reviewing how boards are overseeing environmental and social issues. In instances where it is clear that a company has not properly managed or mitigated environmental or social risks to the detriment of shareholder value, or when such mismanagement has threatened shareholder value, we may vote against members of the board who are responsible for the oversight of environmental and social risks.

We notably consider in voting decisions the tenure of individual board members, the average tenure of the board, male- female ratio, and number of boards or executive positions held by the member, independence and relevant experience or expertise. We support commitment to establishing broad sustainable business practices and review on the disclosure of ESG risk related issues.

We vote against directors (non-executive) serving more than five boards or voting against executive directors serving more than two boards. We vote against the male members/chair of the nominating committee where the board gender diversity requirements are not met, which are different across geographies. We vote against the chair of the board, or the chair of the audit committee if the chair of the board is not up for reflection, if the company is not a UN Global Compact (UNGC) participant or signatory, or the human rights policy does not align with Universal Declaration for Human Rights (UNDHR). Both the UNGC and UDHR provides a universal language for corporate social responsibility and a framework to guide businesses on sustainable and socially responsible practices and policies.

II. Disclosure and transparency

Boards should oversee timely, relevant, and high-quality company disclosures for investors and other stakeholders relating to financial statements, strategic and operational performance, corporate governance and material environmental and social risks.

QAM believes that the auditor's role is crucial in ensuring the integrity and transparency of the financial information necessary for protecting shareholder value. Because of the importance of the role of the auditor, rotating auditors is an important safeguard of the independence of the auditor. We vote against auditor ratification proposals in instances where a company's auditor has not changed for 20 or more years.

III. Long-term sustainable value creation

QAM expects companies to understand the governance, environmental and social risks they face as well as the positive and negative impacts their business decisions have on stakeholders. Furthermore, QAM expects companies to be transparent to its shareholders and key stakeholders about what these risks and impacts are, and how they are being managed. In addition, boards should provide adequate oversight of ESG issues and be prepared to discuss their long-term plans for sustainable value creation with investors.

When considered material to the business or its stakeholders, QAM generally support environmental and social shareholder proposals aimed at enhancing a company's ESG policies and performance or increasing a company's reporting and disclosures with respect to such issues.

IV. Executive compensation and alignment with long-term interests of shareholders and key stakeholders

Executive compensation structures should be designed to effectively align the interests of the CEO and executives with those of the company, its shareholders and key stakeholders to help ensure long-term performance and sustainable value creation. Compensation programs should not restrict the company's ability to attract and retain executives and should also consider best practices in the relevant market.

QAM believes that to ensure alignment of executive and shareholder interests, executive compensation should be underpinned by relevant and objective Key Performance Indicators (KPIs) related to areas that are material to the company's long performance and sustainable value creation, which includes non-financial targets. Furthermore, executive compensation programs should be disclosed to shareholders in a transparent way and be subject to shareholder approval.

Given the complexity of most companies' compensation programs, QAM believes that compensation needs to be reviewed on a case-by-case basis, recognising that each company must be examined in the context of industry, size, maturity, performance, financial condition, its historic pay for performance practices and other relevant internal or external factors.

We support inclusion sustainability metrics in executive compensation plans. We encourage annual advisory compensation votes. We vote against say-on-pay proposals in case of potential severe disconnect between pay and performance, and where sustainability is not an explicit consideration for companies when awarding executive compensation and we have concerns regarding the pay and performance link.

V. Rights of shareholders

The rights of all shareholders should be equal and adequately protected. Fundamental to this protection is ensuring that shareholder voting rights are directly linked to the shareholder's economic stake, and that minority shareholders have equal voting rights on key decisions or transactions which affect their interest in the company.

QAM is an advocate of increased shareholder participation and access to a company and its board of directors. Processes and procedures for general meetings of shareholders should allow for equal treatment of all shareholders. Companies should avoid creating unnecessary hurdles for investors to cast their vote in a timely and cost-effective manner.

QAM generally support initiatives that seek to enhance shareholder rights, such as the introduction of majority voting to elect directors, the adoption and amendment of proxy access bylaws, the elimination/reduction of supermajority provisions, the submission of shareholder rights' plans to a shareholder vote, and the principle of one share, one vote.

VI. Shareholder proposals

QAM supports shareholder proposals that aim to enhance and protect shareholder rights and that seek to adopt more sustainable practices and enhance transparency on current practices.

When voting on environmental proposals, we take into account the impact companies have on the environment, as well as the risks they may face by not adopting environmentally responsible policies. We believe systematic risks, such as those related to climate change, are issues that companies need to manage with high priority. We generally support proposals seeking to adapt more ambitions environment objectives and improve disclosure about company practices that impact the environment.

When analysing social proposals, we consider the communities and broader constituents in the areas in which companies do business. We generally support proposals requesting that companies provide greater disclosure about their impact on local stakeholders, as well as employee and human rights. We support proposals seeking increased disclosure on public health and safety issues, review of political spending or lobbying, reporting on compliance with international human rights standards and transparency on various social issues.

4.3. Transparency

Quintet publishes an active ownership report annually. This report covers our voting and engagement activities with investee companies. (one page of this report issued by Quintet is dedicated to QAM's activity)

As part of its ongoing commitment to transparency, Quintet discloses all its voting decisions online. Voting decisions are available as soon as possible after meetings take place, and our rationale is included where appropriate. All the votes we have cast over the past 12 months are available.

Managing conflicts of interest

QAM exercises voting rights solely in the general interest of its clients, irrespective of its own interests, and in compliance with its guiding principles.

If exercising its voting right for a given company exposes QAM to a conflict of interest. Such conflict will be managed in accordance with the Group Conflict of Interest Policy. Additionally, the active ownership group may seek Compliance advice.

V. APPENDIX 1 _ VOTING EXECUTION

Quintet has a leading independent provider of global governance services, to provide proxy research and recommendations to underpin Quintet's voting decisions.

Quintet will not vote where:

- across applicable Quintet (including those of QAM) holdings the exposure sums to less than € 500,000 unless the company is involved in a severe or high level controversy, as defined by ourselves or one of our service providers.

- additional costs and / or barriers (i.e. share-blocking, share registration or in-person attendance) are deemed prohibitive by the Active ownership group.

Quintet's Active Ownership group will discuss in detail the shareholder meetings' agenda items in the following circumstances:

- Where across applicable Quintet (including those of QAM) holdings the exposure sums to more than 1% of the company's outstanding shares.
- Where across applicable Quintet (including those of QAM) investments we represent more than € 20 million.
- Where the company is involved in a severe controversy.
- Upon the request of equity portfolio managers, or members of the Active Ownership Group.

VI. APPENDIX 2 – EXAMPLES OF ESG VOTING RULES

Examples of ESG-oriented voting rules for shareholder proposals:

Compensation

- Vote in favour of proposals to tie executive compensation to E, S and G performance measures, health and safety regulations, non-discrimination laws and human rights standards.
- Support most governance-related shareholder proposals all environmental and social shareholder proposals aimed at enhancing a company's policies and performance or increasing a company's disclosures with respect to such issues.
- Vote for proposals requesting disclosure on gender, racial or ethnic pay inequity.

Corporate Governance

- Vote in favour of initiatives introducing majority voting, electing directors etc.
- Support proposals aimed at increasing the diversity of boards or management as well as those requesting additional information concerning workforce diversity and the adoption of more inclusive non-discrimination policies.

Environment

- Support proposals requesting companies develop greenhouse gas emissions reduction goals, comprehensive recycling programs, and other proactive means to mitigate a company's environmental footprint.

- Support proposals to disclose or adopt certain policies related to mitigating climate change related risks.
- Support proposals requesting that a company consider energy efficiency and renewable energy sources in its project development and overall business strategy.

Labour/Human Rights

- Generally supporting enhancing the rights of workers, considering communities.
- Support the adoption of codes of conduct relating to labour standards, human rights conventions, and corporate responsibility at large.
- Reviewing performance and oversight of certain directors when a company is found to have violated international human rights standards.

Health & Safety

- Vote in favour of proposals seeking increased disclosure regarding public health and safety issues.
- Support proposals calling for the labelling of Genetically Modified Organisms (GMO's), the prohibition of tobacco sales to minors.

Business Ethics

- Vote for proposals seeking to increase disclosure of a company's business ethics and code of conduct, as well as of its activities that relate to social welfare.
- Vote in favour of proposals to develop sustainable business practices (incl. animal welfare policies, human rights policies, fair lending policies).
- Supporting reporting and reviewing a company's political and charitable spending and lobbying practices.

Mergers, acquisitions and contested Meetings

- Support shareholders proposals asking the company to consider the effects of transactions on company's stakeholders.