

Policy for

Voting rights

Table of content

1	Introduction and purpose	3
2	Statement	3
3	Strategies to determining when and how voting rights are exercised	4
4	Measures	4
5	Follow-up	4
6	Conflicts of interests	4
7	Reporting.....	4

1 Introduction and purpose

The purpose of shareholder engagement is to promote sound development within companies. The shareholder role shall be exercised in a manner that enhances company value and thereby the long-term return, in accordance with the fund's objectives and the collective interests of the unit holders. ISEC Services AB ("ISEC" or "the Company") supports active, business-oriented, and responsible ownership and believes that good corporate governance fosters long-term sustainable development for both the Company and society at large.

ISEC holds overarching responsibility for the funds under its management and is responsible for ensuring that delegated managers establish, monitor, and report activities in accordance with this guideline. The Company does not have its own principles for shareholder engagement, but shall ensure that delegated portfolio management complies with legal requirements regarding shareholder engagement and thereby fulfills the Company's reporting and disclosure obligations for managed funds.

As a licensed fund management company and AIF manager, ISEC must primarily comply with LVF, LAIF, Regulation 2013/587, and Commission Delegated Regulation (EU) No 231/2013, which implements Directive 2011/61/EU of the European Parliament and Council on alternative investment fund managers. The rules for UCITS and AIFs are further specified in the Swedish Financial Supervisory Authority's regulations FFFS 2013:9 and 2013:10.

According to Chapter 4, Section 24 of LVF, a fund management company must provide information for each fund it manages regarding sustainability aspects in the fund's management. This information shall be included in the fund's prospectus or annual report and describe the sustainability considerations, methods used, and follow-up procedures. While this document does not cover sustainability work, such matters may be addressed within the same processes.

Portfolio management agreements must directly or indirectly require the manager to establish principles, rules, and procedures to comply with relevant fund regulations and these principles. The Company shall continuously or as needed monitor the manager's actions to ensure compliance, and the manager shall promptly provide necessary information.

According to the Swedish Investment Fund Association's guidelines for shareholder engagement, the principles should apply to all shares managed by the fund company—including shares not listed on a regulated market and shares listed outside the EEA.

2 Statement

Each year, the manager shall report how the principles for shareholder engagement have been applied. This report shall be published on the fund company's website. The requirement to provide an annual report with specific content follows a "comply or explain" approach. Deviations from one or more of the principles or reporting requirements must be clearly stated, fact-based, and well justified.

3 Strategies for determining when and how voting rights are exercised

Fund legislation requires the fund company to establish internal rules specifying strategies for determining when and how voting rights are exercised. These strategies must include measures to monitor relevant corporate events, measures to ensure voting rights are exercised in line with the fund's objectives and investment strategy and measures to prevent or manage conflicts of interest arising from the exercise of voting right. A summary of these strategies shall be made available to investors, along with information on actions taken based on the strategies.

4 Measures

Companies are obligated to monitor voting rights and obtain information on corporate events. All managed funds have a custodian institution where assets are held separately from the fund company and AIF manager. Since the custodian is the first party to receive information on corporate events, the Company must enter into a specific service agreement with the custodian to receive such information.

5 Follow-up

The Company acts solely in the collective interest of the unit holders. The goal of fund management is to achieve the highest possible return, considering the fund's investment strategy and risk profile. The Company allows delegated managers to participate in, for example, nomination committees and board work, and to represent shareholders in their ownership role. A strategy for exercising voting rights shall be included in the established principles and monitored through the Company's oversight and dialogue with the manager in accordance with this guideline.

6 Conflicts of interests

Maintaining unit holders' trust requires the Company to manage conflicts of interest that may arise when exercising voting rights for the funds. To effectively manage conflicts of interest, the following shall apply when the Company manages funds or delegates management to third parties:

- The Company shall exercise voting rights as a fund management company and AIF manager, representing the interests of unit holders. This also applies to all delegated portfolio management and related voting rights. The Company and its representatives shall vote as shareholders and promote sound corporate governance principles. Employees, senior executives, or board members of the Company or portfolio manager shall not hold employment or financial interests in companies where voting rights are exercised.
- If the Company or a portfolio manager identifies a conflict of interest when exercising voting rights, participation in the meeting and voting shall not occur. The conflict shall be reported and escalated to the Company without undue delay.

7 Reporting

When the Company delegates portfolio management to third parties, it remains responsible for preparing the annual and semi-annual reports for the funds. To meet the disclosure requirements for unit holders in accordance with regulations from the Swedish Financial Supervisory Authority (for funds

domiciled in Sweden) and CSSF (for funds domiciled in Luxembourg), the Company must receive information on the exercise of voting rights from the delegated portfolio managers.

Senast reviderad: 2025-10-31