

Principles governing the exercise of voting rights

Nomura Asset Management Europe KVG mbH (hereinafter referred to as "NAM EU") acts in accordance with the following principles in the exercise of voting rights:

- Shareholders' and creditors' rights in investment funds are in principle exercised independently of instructions from and interests of third parties (e.g. custodian banks, affiliated companies and persons, other investors) and exclusively in the interests of the investor and the integrity of the market.
- Shareholders' and creditors' rights are exercised exclusively in accordance with the investment goals and the investment policy of the investment fund in question.
- The independent nature of the exercise of voting rights also applies to recommendations from investors of a special AIF.
- Voting rights of funds with the same interests are in principle exercised as a bundle. In rare cases, a situation may arise where the interests of different funds differ from one another. These different interests are taken into account in the voting activity of NAM EU.
- Before each forthcoming annual shareholders' meeting, NAM EU decides anew whether the exercise of voting rights will be undertaken by NAM EU or whether the custodian bank (or a proxy voting agency) is to be authorised to exercise the voting rights. NAM EU does not grant permanent proxy vote authorisations.
- If an authorisation is given, special care is taken to ensure the independence of the voting proxy from third party interests (including those of NAM EU and of the company whose securities are subject to execution of voting rights) as well as the absence of contradicting interests.
- If the custodian bank or a proxy voting agency is authorised to exercise the voting right, NAM EU will, if necessary, issue concrete binding instructions for each agenda item of the annual shareholders' meeting.
- NAM EU bases its decision on whether the voting rights are to be exercised for an investment fund on an assessment of the expected benefits for the investors. The exercise of a voting right can, for instance, be waived in case of securities held in low volumes, when the exercise of the voting right would represent a disproportionate cost burden for the fund (and thus also for the investor).
- Voting rights are exercised for all domestic companies. Due to economic considerations, the exercise of voting rights for companies domiciled abroad takes place only in justified cases.
- NAM EU applies the BVI Analysis Guidelines for annual shareholders' meetings as a decision-making basis for its voting activity. For the purposes of monitoring and control of the current and upcoming corporate actions NAM EU has established corresponding measures and procedures.