

# UBS Third Party Management Company S.A.

Registered Office: 33A avenue J.F. Kennedy, B.P. 91, L-2010 Luxembourg  
Registre de commerce: Luxembourg B 0045991

## Engagement Policy

### 1) Purpose of the Policy

UBS Third Party Management Company S.A. ("UBS TPM") is acting as (i) Management Company according to Chapter 15 of the law of 17 December 2010 relating to Undertakings for Collective Investment, as amended and (ii) as Alternative Investment Fund Manager under Article 5 of the law of 12 July 2013 on Alternative Investment Fund Managers, as amended.

In accordance with the relevant applicable provisions of the Luxembourg Law of 1st August 2019 amending the Law dated 24 May 2011 on the exercise of certain rights of shareholders in general meetings of listed companies and transposing Directive (EU) 2017/828 as regards the encouragement of long-term shareholders engagement ("SRD II"), UBS TPM, as Luxembourg asset manager developed and published an engagement policy. Such a policy shall describe general principles for how engagement activities are integrated in the investment strategy for the managed portfolios. The policy shall describe how UBS TPM:

- monitors investee companies on relevant matters, including strategy, financial and non-financial performance and risk, capital structure, social and environmental impact and corporate governance;
- conducts dialogues with investee companies;
- exercises voting rights and other rights attached to shares;
- cooperates with other shareholders;
- communicates with relevant stakeholders of the investee companies;
- and manages actual and potential conflicts of interests in relation to its engagement.

### 2) Engagement Policy

As UBS TPM has delegated the portfolio management of the UCIs to external portfolio managers, UBS TPM puts reliance on the engagement policies developed by the delegated Portfolio Managers, when investing in shares of EU listed companies<sup>1</sup>. The Engagement Policy explains, if relevant depending on the investment strategy of the funds how the Portfolio Managers:

- monitor investee companies on relevant matters, including strategy, financial and non-financial performance and risk, capital structure, social and environmental impact and corporate governance,
- conduct dialogues with investee companies,
- manage actual and potential conflicts of interests in relation to their engagement;

Regarding the exercise voting rights and other rights attached to shares, UBS TPM puts reliance on:

- the Stewardship Policy of UBS Asset Management entities in case the UCIs has delegated the voting rights to UBS TPM which in turn has delegated the activity to a UBS Asset Management entity.

Moreover, clear guidelines have been given by UBS TPM which have to be considered by UBS Asset Management in case votes have to be exercised on controversial items.

- the Engagement Policy of the Portfolio Manager in case UBS TPM has delegated to the Portfolio Manager the exercise of the voting rights.

It is to be noted that UBS TPM will not exercise any votes where the UCI is not economically exposed

---

<sup>1</sup> The term 'EU listed companies' refers to companies which have their registered office in a Member State and the shares of which are admitted to trading on a regulated market regulated or operating within a Member State. According to the 3<sup>rd</sup> paragraph of Art. 1(1) of the Law, the latter is also applicable to those companies whose securities are traded on a market of a non-Member State, which is regulated, operates regularly, is recognised and open to the public, and which by an express provision in their articles, have declared the Law applicable.

# UBS Third Party Management Company S.A.

Registered Office: 33A avenue J.F. Kennedy, B.P. 91, L-2010 Luxembourg  
Registre de commerce: Luxembourg B 0045991

to the listed companies in which they invest in.

In case the UCI has not delegated the voting rights to UBS TPM, it is the responsibility of the UCI to deal with the relevant voting rights.

The Engagement Policies are available under the following link in a document referred to as List of engagement policies of delegated Portfolio Managers:

<https://www.ubs.com/content/dam/assets/am/global/doc/engagement-policy-links-tpm.pdf>

### 3) Reporting

Asset Managers are required to publicly disclose, on an annual basis, information on how their engagement policy has been implemented, including:

- a general description of their voting behavior;
- an explanation of the most significant votes;
- the use of proxy advisors; and
- how they have cast votes in the general meetings of companies in which they hold shares.

Such disclosure may exclude votes that are insignificant due to the subject-matter of the vote or the size of the holding in the company.

- a. In case the UCI has delegated to UBS TPM the voting activity which in turn has delegated the activity to UBS Asset Management, the corresponding reporting based on the UBS Global Stewardship Policy is available under the following link:

<http://www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html>

- b. In case the UCI has delegated the voting rights to UBS TPM and UBS TPM has delegated the exercise of the voting rights to the Portfolio Manager, it is the responsibility of the Portfolio Manager to deal with the relevant voting rights. The corresponding reporting is available under the following link in a document referred to as List of engagement policies of delegated Portfolio Managers and relevant reporting.

<https://www.ubs.com/content/dam/assets/am/global/doc/engagement-policy-links-tpm.pdf>