

VOTING RIGHTS POLICY

Amundi Luxembourg S.A. is a management company pursuant to Chapter 15 of the Law dated 17 December 2010 relating to undertakings for collective investments and acts also as alternative investment fund manager (“AIFM”) pursuant to Chapter 2 of the Law dated 12 July 2013 relating to AIFMs.

Pursuant to CSSF Regulation 10-04 dated 1st July 2013 with regards to the management of UCITS and the Commission Delegated Regulation (EU) n° 231/2013 of 19th December 2013 with regards to the management of AIFs, Amundi Luxembourg S.A. (hereinafter referred as the “Management Company” or “Amundi”) applies this policy for the exercise of its managed funds voting rights.

Amundi centralizes to Amundi Asset Manager (Paris) the exercise of the voting rights of those Funds, the investment management of which has been delegated to Amundi Group investment managers. External investment managers carry out voting rights in line with their procedures.

Amundi voting rights policy is in line with its vision as a Responsible Investor. Amundi owes the Funds a duty of care and loyalty with respect to all services undertaken on the Funds’ behalf, including proxy voting.

Amundi encourage best governance practices by adopting these voting policy criteria:

1. An integrated approach to companies

Issues of social responsibility and sustainable development, such as those of governance, are essential in the assessment of a company. Only a global vision of the company, going beyond the purely financial aspect and integrating all risks and opportunities, in particular for ESG criteria (Environment, Social, Governance), allows an assessment of its intrinsic value and long-term economic performance.

2. Regular dialogue in a rationale of progress

The situation and practices of a company must be assessed over time. Amundi wishes to take into account, in its analysis, the evolution of these practices and the commitments made by the company with a view to their improvement. Amundi bases its assessments on regular exchanges with the company, which contribute to a good appreciation of this momentum.

3. A transparent approach

The approach of dialogue and progressive improvement that we pursue presupposes a relationship of trust with the companies in which we invest.

This trust is based on twofold transparency: that of companies, through the financial and non-financial information they send us, and that of Amundi, through visibility on our analysis methods and the conclusions we draw from this analysis.

4. Priority given to two societal issues in 2019

In our analysis of and dialogue with companies, we wish to give particular importance to two themes in 2019:

- Climate, in particular the decarbonisation of our economies,
- The control of wage balance within the framework of compensation policies.

Concerning the climate issue, we will pay particular attention to data on greenhouse gas emissions, which will be assessed in the light of practices in the sector and in the countries of operation. We would like to be informed of plans to reduce and offset these emissions and be able to monitor their implementation and momentum.

In terms of compensation policy, we would like companies to communicate on the “pay equity ratio” (average/median pay-to-CEO pay ratio) and on the evolution of this ratio. It will be assessed depending on the

sector and the location of the company's activities. Other aspects are also the subject of particular analysis, such as the maintenance of a "living wage" throughout the supply chain, the gender pay gap and other value-sharing parameters.

5. A pragmatic approach, taking into account each company's context

The regulatory, cultural or economic environment in which a company operates can be decisive for some of its choices, notably in societal areas.

Amundi has defined a universal common basis for its voting policy and exercises this responsibility as a shareholder on all five continents.

II. Centralization to Amundi Asset Management

3.1. Corporate governance team

The exercise of voting rights may be centralized within a Corporate Governance Team at Amundi Asset Management (Paris) composed of four experts in charge of coordinating all voting related tasks, specifically:

- monitoring General meetings in the voting scope;
- managing relations with custodians and proxy voting companies;
- analysing the resolutions proposed by issuers;
- sharing information and soliciting the opinions of financial and extra-financial managers and analysts;
- calling and leading voting committees;
- undertaking shareholder dialogue through alert letters to issuers;
- ensuring reporting with the client and boards of the funds;
- being involved in working groups on governance.

The Corporate Governance Team maintains contact with custodians, proxy-voting companies, centralizers as well as issuers ensuring the smooth application of the voting policy. The Corporate Governance Team uses the ISS Proxy-exchange platform to send its voting instructions.

3.2 Voting Committee

Amundi Asset Management (Paris) has established a Voting Committee, chaired by the Group Chief Investment Officer and composed of fund managers and analysts. The Voting Committee meets to examine and decide on voting instances submitted to its perusal and casts the vote in accordance with the policy.

III. Policy review

The Policy will be reviewed on an annual basis.