



EDMOND  
DE ROTHSCHILD

# Voting Rights Policy

EDMOND DE ROTHSCHILD PRIVATE EQUITY LUXEMBOURG S.A.

MARCH 2021



EDMOND DE ROTHSCHILD PRIVATE EQUITY LUXEMBOURG S.A.

## CONTENTS

1.	OBJECTIVE .....	4
2.	REGULATORY FRAMEWORK .....	4
3.	PRINCIPLE .....	5

## DEFINITIONS

Term	Definition
AIF	Alternative Investment Fund
AIFM	CBRM / EdR PE Lux
Board of Directors / Board	Board of Directors of CBRM
CBRM	Compagnie Benjamin de Rothschild Management (Luxembourg) S.A.
CSSF	Commission de Surveillance du Secteur Financier
CDR	Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012
EdRE	Edmond de Rothschild Europe
EdRAM	Edmond de Rothschild Asset Management (Luxembourg)
EdR PE Lux	Edmond de Rothschild Private Equity Luxembourg S.A
IA	Investment Advisor
IC	Investment Committee
Risk Manager	Conducting Officer in charge of the Risk Management function
Senior Management / Senior Managers	Conducting Officers

# THE AIFM

Edmond de Rothschild Private Equity Luxembourg S.A., formerly named Compagnie Benjamin de Rothschild Management (Luxembourg) S.A., (the "AIFM") is a public limited company, having its registered office at 4, rue Robert Stumper, L-2557, Luxembourg, Grand Duchy of Luxembourg. The AIFM, registered with the Luxembourg Trade and Companies' Register under number B 130.070, has been authorised by the CSSF, on 13 March 2015, as external alternative investment fund manager within the meaning of the Directive 2011/61/UE of the European Parliament and of the Council of 8 June 2011 on alternative investment fund managers (the "AIFMD") as implemented in Luxembourg by the law of 12 July 2013 on alternative investment fund managers (the "AIFM Law"), as amended from time to time.

## 1. OBJECTIVE

The AIFM is required under the laws, rules and regulations of the Grand-Duchy of Luxembourg to design and implement voting rights strategies which are aimed at ensuring that the exercise of voting rights attached to the Investments is conducted in accordance with the investment objectives and restrictions of the said AIFs, while preventing or managing any conflict of interests arising from such exercise.

## 2. REGULATORY FRAMEWORK

<b>Law</b>	Law of 12 July 2013 on AIFMs
<b>Regulation</b>	Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision.
<b>Circular</b>	CSSF Circular 18/698 of 23 August 2018 on the authorisation and organisation of investment fund managers incorporated under Luxembourg law and on specific provisions on the fight against money laundering and terrorist financing applicable to investment fund managers and entities carrying out the activity of registrar agent.

### 3. PRINCIPLE

The Investments in which the AIFs invest on behalf of their investors are typically limited liability companies, where the ultimate decision-making body is the shareholders' meeting.

Exercising the AIFs voting rights at shareholders' meetings is therefore a key component of active ownership and an important way for the AIFM to communicate its views via the AIFs to the Investments' teams.

It is to be noted that the AIFM is typically not a direct shareholder of the Investments, as the Investments are acquired by the AIFs. Accordingly, the AIFM will cause the AIFs to systematically exercise voting rights in respect of the Investments in accordance with the provisions of this Policy (or, as the case may be, in accordance with the provisions of the relevant shareholders' agreements).

The exercise of the voting right in a portfolio company is performed in function of the level of materiality of the decisions for the AIFM. For the following non exhaustive list of decisions, the AIFM causes the AIFs to exercise, when relevant, its voting rights after the organization of an Investment Committee whereby the Risk Management and the Portfolio Management functions of the AIFM participate:

- ▶ Distribution of dividends;
- ▶ Reinvestment;
- ▶ Capital increase;
- ▶ Preemption right;
- ▶ Liquidation of the invested company.

For any other decisions, it is the policy of the AIFM to cause the AIFs to vote rights at shareholders' meetings of the Investments in a prudent and diligent manner, based exclusively on its reasonable judgement of what will best serve the interests of the AIFs/their Investors, as the latter are the beneficial owners of the Investments.

For most proxy proposals, particularly those involving corporate governance, the evaluation will result in the same position being taken across all of the AIFs and the AIFs voting as a block. In some cases, however, an AIF may vote differently, depending upon the nature and objective of this particular AIF, the composition of its portfolio, and other factors.

The guidelines do not permit the Board of the AIFM to delegate voting responsibility to a third party that does not serve as a fiduciary for the AIFs. Because a variety of factors may be considered for each decision, the guidelines incorporate factors the Board of the AIFM should consider in each voting decision. An AIF may refrain from voting for some or all of its shares if doing so is in the AIF's and its shareholders' best interests. These circumstances may arise, for example, if the expected cost of voting exceeds the expected benefits of voting, if exercising the vote would result in the imposition of trading or other restrictions, or if an AIF or all AIFs in aggregate were to own more than a maximum percentage of a company's or fund's stock (as determined by the their governing documents).

The Board may review these procedures and guidelines and modify them from time to time.

Drafting date	23/03/2021
Last updated	29/11/2019
Validated on	04/12/2019
Effective from	04/12/2019
Person in charge	Portfolio Management Function