

ETHIAS

VOTING POLICY

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1**INTRODUCTION**

The Ethias Voting Policy, which is the subject of this document, is an integral part of Ethias' sustainable and responsible investment policy¹. It specifies how Ethias implements its voting rights as a committed shareholder in the companies in which it invests.

2**REGULATORY CONTEXT AND INTERACTION WITH OTHER POLICIES**

This voting policy takes into account the requirements of Directive (EU) 2017/828 of 17 May 2017 (and its transposition into Belgian law by the law of 16 April 2020) amending Directive 2007/36/EC and aiming to promote long-term shareholder engagement («SRD II»).

This Directive only concerns shares issued by a company established in a European Union member state and listed on a European regulated market.

Moreover, in terms of shareholder policy, Ethias has grouped all its actions into the following policies:

- Engagement Policy ;
- Voting policy.

3**GENERAL FRAMEWORK, OBJECTIVE AND SCOPE**

As a long-term investor, Ethias supports the development of a sustainable economy by generating stable returns for its various stakeholders while limiting and diversifying risk.

Ethias' investments incorporate this long-term vision based on prudence, sustainability and responsibility.

Ethias believes that exercising voting rights, when it holds a significant stake in a company, is an essential part of managing that stake. This powerful tool ensures that Ethias' long-term vision is aligned with that of the company in which it invested.

To this end, Ethias implements its voting policy on the shares it holds directly in listed companies in Europe.

Ethias considers that its voting rights must be exercised when it holds at least 1% of the share capital of a listed company. Ethias reserves the right to exercise its voting rights on a case-by-case basis for all holdings amounting less than 1% of the share capital.

Nevertheless, Ethias may always exercise its voting rights on unlisted shares it holds directly if it considers that this is in its interest and that of its clients.

¹ See dedicated section on www.ethias.be

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MANAGING CONFLICTS OF INTEREST

4.1 VOTING RECOMMENDATION

Ethias exercises its proxy voting rights on a case-by-case basis. For listed companies, we retain Glass Lewis as our proxy voting advisor, and consider its research and recommendations, which are based on its published voting policies. For each meeting and agenda item, Ethias reviews the ballot and conducts its own analysis. This analysis—guided by the Glass Lewis policy framework—forms a basis for our voting decisions and may result in instructions that differ from the proxy advisor's recommendations.

Ethias will vote **for** resolutions that reflect acceptable practice and are in the long-term interests of the company's shareholders and other stakeholders; vote **against** resolutions that do not reflect acceptable practice and are not in those long-term interests; and **abstain** where a proposal departs from acceptable practice but is not sufficiently material to warrant an "against" vote, or where an "against" vote could have an unduly detrimental impact on the company.

4.2 ESG APPROACH TO THE EXERCISE OF VOTING RIGHTS

When exercising voting rights, Ethias makes independent and informed decisions using its own judgement and due diligence with regards to the investment portfolio, in the best interests of its clients. Ethias believes that voting is a tool to ensure compliance with ESG principles.

The main ESG issues that Ethias focuses on when exercising its voting rights are:

- climate change;
- loss of biodiversity;
- governance;
- diversity in decision-making bodies.

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MANAGING CONFLICTS OF INTEREST

As with Ethias' engagement policy, the voting rights exercised under this voting policy are exercised in the best interests of our clients, i.e. with a view to increasing the value of their investments over the long term and preserving their capital.

In the event of a conflict of interest in the context of a significant business relationship with an investee company, Ethias applies the same conflict of interest management policy as it applies to its other investments.

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TRANSPARENCY

Ethias' voting policy is available on its website www.ethias.be

Ethias will also publish an annual chapter on its voting activities in its non-financial report.

FOR MORE INFORMATION

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