Julius Bär

SHAREHOLDER ENGAGEMENT POLICY STATEMENT

PORTFOLIO MANAGEMENT LUXEMBOURG

Bank Julius Baer Europe S.A.

The revised Shareholder Rights Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 ("SRD II") introduced enhanced transparency requirements for asset managers and institutional investors engaging as shareholders with certain companies.

This statement describes the approach of Bank Julius Baer Europe S.A. (hereinafter the "Bank", "BJBE", "our" and "we") in its profession as discretionary portfolio manager on shareholder engagement and how it ensures compliance with Article 3g of SRD II, as implemented in Luxembourg by the Grand Ducal Law of 1 August 2019.

INTRODUCTION

Bank Julius Baer Europe S.A., located in the Grand Duchy of Luxembourg, is a premium wealth management firm with a focus on servicing private clients. We are part of the Julius Baer Group, a Swiss private banking group that offers a wide range of investment solutions. The services we provide include inter alia wealth planning, investment advice and discretionary portfolio management to private clients.

For clients who opted for our discretionary and individualized portfolio management mandate, our service includes the delegation of the responsibility for making investment decisions over that client's portfolio to the members of our Portfolio Management team in Luxembourg. The investment decisions made by this team on the client's behalf are considering the client's specific situation and objectives – financial, business and personal. The client portfolios that our Portfolio Management team in Luxembourg is responsible for are individually managed, with the overall objective being to deliver an investment strategy to meet the client's individual objectives, requirements and risk profile.

This statement describes our approach to shareholder engagement where we, Bank Julius Baer Europe S.A., decide to invest in companies on behalf of our clients as part of our discretionary portfolio management services. This statement does not apply to other investment services that we may provide, such as providing investment advice or receiving and transmitting client orders, as in those cases the exercise of voting rights is at the discretion of our clients themselves. This statement only applies to the specific holdings in companies over which the Portfolio Management team in Luxembourg has discretionary investment management responsibility and control, and not to any holdings under the control of other members of the Julius Baer Group.

The content of this statement is prescribed by the Grand Ducal Law of 1 August 2019 (amending the Law of 24 May 2011 on the exercise of certain shareholder rights) which transposed the requirements of the revised Shareholder Rights Directive ("SRD II").

These requirements apply to discretionary portfolio managers where they invest in shares of companies with a registered office in an European Economic Area ("EEA") member state and whose shares are admitted to be traded on regulated markets in the EEA or comparable markets outside the EEA ("investee companies"). However, the scope of this statement is not limited to companies whose shares are traded only in those locations.

OUR INVESTMENT APPROACH AND MONITORING OF INVESTEE COMPANIES

When it comes to investing in individual companies, Julius Baer Group's investment approach is primarily based on fundamental research. Due to internal resource constraints and reasons of better access, BJBE makes active use of group-wide conducted research and analysis, especially with our Swiss-based investment specialists. Dialogue with investee companies before and during the period of investment in these companies is an integral part of the investment process of Julius Baer Group. The various investment specialists arrange to meet the management of companies that we invest in regularly, where possible. The areas of discussion typically include: company strategy; operational, financial and non-financial performance; risks; capital structure; and environmental, social and governance ("ESG") commitments, amongst other things. These discussions form part of the fundamental research undertaken by our Portfolio Management team. To enhance the fundamental research carried out, our team also undertakes monitoring of company news-flows, reviews periodic company reports, holds meetings with industry analysts, uses external databases and conducts quantitative assessments.

SHAREHOLDER ENGAGEMENT WITH INVESTEE COMPANIES

The nature of our discretionary portfolio management service is that, in any given client portfolio, we may hold a number of different positions in a variety of different assets classes. When all such positions across all our client portfolios are added together, this means we may be investing in shares across a significant number of companies. The extent of our shareholder engagement with investee companies is therefore necessarily constrained not only by our own internal resources, but also by the need to ensure our activities provide value to our clients. As a general approach, BJBE in its function as discretionary portfolio manager does not exercise any voting rights relating to the assets managed on the client's behalf. In addition, Julius Baer Group performs engagement activities with a selection of relevant investee companies.

BANK JULIUS BAER EUROPE S.A. POLICY FOR EXERCISING VOTING RIGHTS

We believe that exercising voting rights in companies that we invest in on behalf of our discretionary portfolio management clients can be an effective means of engaging with those investee companies. The nature and size of our private client base, meaning the total voting control that we may exercise in any one investee company is very small (at the time of writing, our voting control is lower than 0.5% of the share capital in any one investee company). Accordingly, BJBE does not exercise voting rights on behalf of its discretionary portfolio management clients. Clients are welcome to instruct at any time a third party – such as an association of shareholders – to exercise their voting rights.

REPORTING ON OUR VOTING BEHAVIOUR

As a general approach, BJBE in its function as discretionary portfolio manager does not exercise any voting rights related to the assets managed on the client's behalf; consequently, at the current time, we do not make publicly available annual reports on our voting behaviour.

CO-OPERATION AND COMMUNICATION WITH OTHER SHAREHOLDERS OF INVESTEE COMPANIES

At the current time, we do not collaborate with other shareholders in investee companies.
Julius Baer Group might join forces with engagement partners or participate in a collective initiative to have greater weight in discussions with companies and increase engagement outcomes, while avoiding conflicts of interest or acting in concert activities. Julius Baer always retains its own views and voting rights.

Our holding company, Bank Julius Baer & Co. Ltd., is a signatory of the UN Principles for Responsible Investment (UN PRI) and has committed to implementing responsible investment principles. In practice, this means that we apply the principles under the UN PRI to our investment processes for our model strategies. As part of our responsible investing efforts, we take into account ESG criteria in our investment analysis and decision-making process.

MANAGEMENT OF POTENTIAL AND ACTUAL CONFLICTS OF INTEREST

A summary of our policy on conflicts of interest appears in our 'Investment Services at Julius Baer - Basic Client Information' brochure, which is made available to clients and, upon request, to potential clients. We review this policy regularly to ensure it remains up-to-date, relevant, and effective.

Our policy shall manage any conflict of interest so that it does not give rise to any material risk of damage to the interests of our clients. Accordingly, where interests of a client conflict with our interests or those of other members of the Julius Baer Group, we will seek to ensure that the interests of the clients are put first.

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