

Policy for exercising voting rights

The Board of Directors of Danske Invest Management Company (“DIMC”) has approved the following policy for exercising voting rights on behalf of the funds where it is using the voting rights related to the holdings of the funds (the “Funds”).

Background

The objective of DIMC is to look after the interests of the Fund investors so as to help them gain a higher return on their investment in the Funds. This means an optimum return on the Fund holdings in relation to the investment policies and risk levels defined in the relevant fund documentation while observing the limitations laid down in the relevant regulations and fund documentation. The investments of Funds are portfolio investments in nature and the intention is not as such to acquire control.

General stance on corporate governance is that a company’s board of directors and management board are responsible for running the company in accordance with the interests of the owners, i.e. ensure a long-term optimisation of the return on the invested capital. Appointed Investment Managers – serving as agents for DIMC - are not to interfere in the operations of the company to which the Fund’s assets are invested. Appointed Investment Managers are to evaluate the management board and structure of the company. Such evaluation is to form part of the investment process for actively managed funds and may thus result in a decision to sell shares or refrain from placing investments.

Voting policy

In line with Danske Group policies, DIMC wants the Investment Manager to consider exercising voting rights at relevant AGM/EGMs, when active managed funds have significant holdings and /or when the Investment Manager has significant aggregate holdings.

Therefore DIMC has delegated the voting to Danske Bank A/S as disclosed in the relevant funds’ prospectuses. The appointed Investment Managers monitor the corporate actions related to voting and Danske Bank A/S makes decisions on when and what to vote. There is an exception to this principle in that Danske Bank A/S is not authorised to vote on Danske Bank A/S shares itself.

On 11th January 2017 the Funds - Danske Invest SICAV, Danske Invest Allocation and Danske Invest SICAV-SIF - applied for RBC’s proxy voting services through Broadridge Invest Communication Services (hereafter “Broadridge”). Broadridge is a global proxy voting service provider and has developed a fully automated electronic product supporting straight through processing from account collection and agenda distribution through to vote processing. DIMC, on behalf of the three aforementioned SICAV’s, acknowledges and agrees that RBC can use Broadridge for the provision of the proxy voting services.

To the extent possible, Danske Bank A/S makes use of the Institutional Shareholder Services Inc. (hereafter “ISS”) Proxy Voting Services via their interface ProxyExchange, receiving agendas for the relevant AGM/EGMs as well as voting recommendations. ISS is the world’s leading provider of corporate governance and responsible investment solution. ISS will be the intermediary between Broadridge and Danske Bank A/S. As detailed in the process below where the Client is Danske Bank A/S.

Danske Bank A/S always makes case-specific decisions on the exercising of voting rights related to a Fund shareholding in a company. A decision to vote and how to vote can only be made in the best interest of the investors of the particular Fund, and shall be in line with its investment objective and policy and is supported by input from ISS.

DIMC will log all voting events, and information about actual voting will be made available to existing investors free of charge upon request. This policy will be available on the www.danskeinvest.lu and any material changes to the policy will be made available to the investors of the funds in the same manner.

Review

This policy is reviewed by the Board of Directors of DIMC on a regular basis and at least once a year. The Board of Directors of DIMC is the owner of the policy and is also responsible for the review of the policy.