

Strategy for the exercise of voting rights

ENTER TO EFFECT	16/09/2013
AMENDED ON	16/12/2015
Line Managers or departments involved	Compliance
Legal requirements	In preparing this Policy, SELECTRA Management Company (“SMC”) has endeavoured to align its procedures with the relevant legal requirements and current best practice. In particular, this Policy is designed to satisfy the requirements of: - CSSF Circular 12/546.
Aim	SMC may invest in shares or other securities which may grant the right to exercise a vote. In relation to the exercise of such voting rights, SMC shall implement the following strategy.
Accessibility	Paper and digital copy of this policy is accessible to all employees at the registered office of SMC.
Updating / Review	In the following cases: - change of applicable legislation; - any new legal requirement; - any other change that would have an impact on the procedure.
Communication to the CSSF	N.A.

System to be used in relation to the exercise of voting rights

Key features

	J.Lamarck Pharma	J.Lamarck Biotech	ICAM First	Crystal Blue	Crystal Rose
Investment Manager	Selectra Management Company S.A		FIA Asset Management S.A		
Investment Advisor	J. Lamarck SIM S.p.A		ICAM & Partners S.A.	FIA Asset Management S.A	
Custodian Bank	KBL European Private Bankers S.A.				
Administrative Agent	Kredietrust Luxembourg S.A. (that has delegated the execution of its duties to European Fund Administration S.A. (“EFA”))				

Preliminary

The exercise of voting rights on behalf of the Sicav (On behalf of its relevant sub-funds) has been allocated to the Board of Directors (the “BoD”) or the appointed external Investment Manager.

The BoD and the Investment Manager shall provide the Custodian Bank with the names of the persons authorised (Authorized Signatory) to give instructions to the Custodian Bank, together with specimens of their signatures. The BoD and the Investment Manager shall advise the Custodian Bank each time the Authorized Signatory list changes, and provide it with the latest version of the document.

Process

Each time an asset within the Sicav is hit by corporate action, the Custodian Bank advises the BoD or the Investment Manager by fax (see contacts in the table below) and sends a copy of the notification to the Administrative Agent by fax - Securities Database (Fax nr. +352 48. 65618851).

	J. Lamarck Pharma	J. Lamarck Biotech	ICAM First	Crystal Blue	Crystal Rose
Contact	Selectra Management Company S.A		FIA Asset Management S.A		
Email address	board@selectra.lu		board@fia.lu		
Fax number	+352 26202384				

For the events which require an action to be taken, the Custodian Bank requests instructions duly signed by any Authorised Signatory (see “Preliminary”) by the stated deadline. Those instructions should be sent to the fax number indicated in the notification.

The information used is essentially provided by Telekurs and by the Custodian Bank’s correspondent network.

The Custodian Bank will communicate the Investment Manager’s decision to the Administrative Agent by fax and give appropriate instructions to its sub-custodian.

Failing to receive any instruction by the Custodian Bank deadline by fax as mentioned in the notice, the default action will be applied automatically.

Strategy for the exercise of voting rights

The exercise of voting rights on behalf of the Sicav will be done on the basis of the following guidelines:

Corporate Governance: The BoD will generally vote in favour of the management's proposed directors in uncontested elections. For contested elections, the BoD will vote for candidates that, in its opinion, best serve the interests of the sub-fund(s) concerned. The BoD will further generally vote in favour of the appointment of external/independent directors at the boards of underlying securities issuers, as the BoD believes that such directors are beneficial to the development of the relevant securities issuers. The BoD will oppose to the appointment of any director whom the BoD or the Investment Manager considers as unsuitable on the basis of his/her experience or qualifications.

Takeover Defense and Related Actions: all proposals will be reviewed on a case by case basis, taking into consideration elements such as the profitability and the best interest of the Shareholders.

Mergers/Acquisitions: all proposals will be reviewed on a case by case basis, taking into consideration elements such as the profitability and the best interest of the Shareholders.

Directors/Employee compensation: The BoD believes that the directors/employee compensations (including bonuses and other extraordinary incentive provisions) are part of the ordinary business and will generally vote in favour of directors/employee compensations at the level of underlying securities issuers. The BoD will take into consideration the economic position of the security issuer and the rationale behind the relevant directors/employee compensation proposals when deciding how to vote on any such matter.

Capital Structure: in the absence of unusual circumstances, the BoD will vote in favour of proposed increases in authorized capital. Any proposal which involves the issuance of preferred shares or which gives the directors of the security issuer the authority to assign disproportionate voting rights at the time the securities are issued will be subject to reinforced review prior to approval. When deciding how to vote on any proposed restructuring or recapitalization, the BoD will consider whether the proposed action is the best means of enhancing value for the sub-fund holding the securities and will positively affect the security issuer's long term prospects.

Compliance with investment objective / policy of the Sicav's sub funds: The BoD, when exercising voting rights in relation to securities held by its sub-funds, will always exercise such voting rights in compliance with the investment objective and policy of the relevant sub-fund.

Conflicts of interest: The BoD may find itself in a situation where it has to exercise voting rights in relation to two or more underlying securities issuers with diverging/opposed interests, which may adversely affect a securities issuer and, subsequently, the net asset value of a sub-fund of the

Sicav. In such situation, the BoD will decide on the direction of the votes on a case by case basis evaluating which of the two/more choices will affect less the sub-fund's NAV and vote consequently. Any new conflict of interest will be dealt on as per the procedures explained in the conflict of interest policy.

External advice: The BoD may, from time to time, seek recommendations from third-party service providers in relation to the exercise of voting rights; such service providers will be paid out of the assets of the relevant sub-fund(s).

Information of shareholders

A summary of the description of the strategy for exercising voting rights will be made available to the Sicav's shareholders free of any charge on the Sicav's website: www.selectrasicav.com.

Conclusion

Based on the above, the BoD is comfortable that voting rights shall be exercised in the best interest of the Sicav, its sub-funds and its shareholders.