EOS IM

EOS INVESTMENT MANAGEMENT GROUP

Stewardship Policy

(Including Voting Rights)

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Introduction

This stewardship policy (the "**Policy**") describes the EOS Investment Management Ltd ("**EOS IM**") and also the wider EOS IM Group ("**EOS IM Group**")'s approach to stewardship, as part of responsible investment activity. This is integral to the philosophy, beliefs and practices that drive our behaviours as a responsible fund manager. We always strive to improve the exercise of governance responsibilities and engagement with the Funds' portfolio companies and their holding companies where applicable, to help improve long-term returns for the relevant Funds (as defined below) and their investors.

EOS IM is a UK-based FCA investment management firm authorised and regulated by the Financial Conduct Authority ("**FCA**"), and part of the broader EOS IM Group. The EOS IM Group is a strong believer in good stewardship, the value it adds to its activities and as an integral part of sustainable and responsible investment processes.

The EOS IM Group operates in multiple jurisdictions, it follows an approach designed to align with international sound practices rather than committing to any particular single code established by any individual jurisdiction.

EOS IM Group provides services encompassing both fund management and related advisory services, focussed on alternative investment funds, in the form of a SICAV-SIF and SICAV-RAIF, together with their sub-funds where applicable (collectively, the "**Funds**"). Currently, the investment strategies pursued by the EOS IM Group are private equity and infrastructure. Therefore, the approach to stewardship is adapted based upon the nature of these investments, where the Funds hold majority or qualified minority shareholdings, directly or indirectly, including through holding companies where appropriate. This ownership structure generally provides the relevant Fund with the governance rights and level of influence necessary to exercise effective stewardship at both holding company and operating company level, where applicable.

EOS IM is a signatory to the UN Principles for Responsible Investment ("**UN PRI**"), which recognise stewardship as core element for the role of responsible investors. This approach aligns with and complements the Policy set out in this document.

Set out below in this document is an explanation as to how stewardship is applied to the Funds through the EOS IM Group's policies, procedures, and controls, including where EOS IM acts as alternative investment fund manager ("**AIFM**") and/or delegated portfolio manager ("**DPM**") in relation to the relevant Funds.

Purpose and Scope of the Policy

EOS IM has established and approved this Policy which is designed to provide the broader EOS IM Group with a framework within which to apply stewardship to its activities.

EOS IM Group primary stewardship objective is to support the current investment strategies of the Funds managed and/or portfolio managed by EOS IM, with a view to maximising long-term value for the relevant Funds, their investors and/or other relevant stakeholders. Other key stewardship objectives are the following:

- Establish and maintain proactive engagement with the Boards of investee companies within the portfolio of the Funds, including through voting rights;
- Promote strong and effective governance of investee companies;
- Align incentives with value creation;

- Create enduring value for the relevant Fund and key stakeholders through sustainable business practices;
- Promote Environment, Social and Governance ("**ESG**") standards for sustainable investment, through investee companies, in accordance with the EOS IM Group ESG & Responsible Investment ("**ESG&RI**") Policy;
- Establish and maintain proactive engagement with Policy makers and Regulators, including through participation in industry associations and other relevant market initiatives;
- Ensure that stewardship activities are exercised in accordance with the investment objectives and policy of the relevant Funds, the applicable regulatory arrangements under which EOS IM acts, and the EOS IM Group's governance and responsible investment framework, including the ESG&RI Policy adopted;
- Identify appropriate mechanism for reporting stewardship and engagement activities.

The Policy has been adopted by the EOS IM Board and applies to all EOS IM Group companies and Personnel.

EOS IM Group also set out in its Stewardship Statement, which is available on EOS IM Group Website, the approach taken in accordance with the UK's Stewardship Code and the related regulatory requirements.

The Funds to which EOS IM Group currently provides services pursue private equity and energy & infrastructure strategies, which involves investing in unlisted European companies. Stewardship is managed through policies and procedures, including the integration of investment and ESG frameworks linked to direct involvement with the investee companies. Stewardship activities are conducted through EOS IM's internal governance, investment and asset management functions and, where applicable, with the support of relevant corporate function staff or external advisers.

Guiding Principles

The PRI defines stewardship as: "*the use of influence by institutional investors to maximise overall long-term value including the value of common economic, social and environmental assets, on which returns, and clients' and beneficiaries' interests depend*."

Financial regulators and policy makers are increasingly encouraging institutional investors to take an active role in overseeing and influencing investee companies, including through stewardship codes. These codes or standards outline good practice for investor engagement with companies and are designed to enhance the quality of this engagement. EOS IM seeks to align its stewardship approach with internationally recognised principles and good market practices, taking into account the nature of the relevant Funds, applicable regulatory requirements and the rights available to the Funds as shareholders or investors. Some examples of these codes and reference frameworks include:

- UK Stewardship Code
- European Union Shareholder Rights Directive II (Directive (EU) 2017/828)
- G20/OECD Principles of Corporate Governance
- OECD Responsible Business Conduct for Institutional Investors
- OECD Guidelines for Multinational Enterprises on Responsible Business Conduct
- UN PRI

Stewardship objectives (where applicable and set) shall, where practicable, be expressed through defined actions, expected outcomes, responsible persons, target completion dates and qualitative or quantitative performance indicators. These being derived from the applicable requirements as indicated above. The nature and level of detail of such objectives shall be proportionate to the materiality of the matter and the governance influence available to the relevant Fund.

EOS IM Stewardship activities

EOS IM's approach to stewardship is determined on a case-by-case basis, taking into account the EOS IM Group's duties to the Funds, the nature of the investee companies (in which the Funds are invested) and the actions that will lead to favourable outcomes for the value of the investments. For each entity in which the Funds invest, a different prioritisation approach is therefore considered to properly address the specific characteristics of each asset. This is accompanied by interactions with investors and other stakeholders and, when applicable, co-investors.

As part of its stewardship approach, EOS IM promotes appropriate governance frameworks across the Funds' portfolios, taking into account the nature, size and regulatory environment of each investee company. Portfolio companies are expected to adopt governance arrangements, codes of ethics, compliance frameworks and internal control systems consistent with applicable legal and regulatory requirements and the EOS IM Group's governance expectations. For instance, for the Italian portfolio companies, this includes the adoption of an organisational, management and control model pursuant to Legislative Decree No. 231/2001.

For what relates to ESG aspects, the engagement strategy of EOS IM focusses on the most significant areas deemed material for the single company, also considering the materiality for the sector or location, which may include:

- Environmental topics: GHG Emissions, Air quality, Energy efficiency, Water management, Waste and hazardous materials management, Biodiversity and ecosystem protection, Product design and lifecycle management;
- Social topics: Human rights, Gender diversity and inclusion, Employees Health & Safety;
- Governance topics: Supply chain and responsible procurement,, business conduct and oversight control, ethics, integrity, laundering and corruption.

EOS IM generally engages directly with investees based on the monitoring and oversight on the asset's activities. Engagement may also occur based on collaborative initiative or based on external inputs relating the management of ESG aspects. If the case may be, ESG and responsible investment issues may also de addressed in the context of industry associations or collaborative initiatives with the aim of advocating or promoting specific opinions and practices.

Governance, Oversight and Accountability for Stewardship

EOS IM Board is ultimately responsible for the governance, oversight and approval of the establishment, implementation and ongoing delivery of the stewardship activities conducted by the Firm. This responsibility extends to stewardship activities concerning the Funds' portfolio companies and to wider stewardship engagement undertaken by the EOS IM Group, including engagement with policymakers, regulators, industry associations, market participants and other relevant stakeholders.

The EOS IM Group's stewardship approach is set out in this Policy and in the related policies, procedures and governance arrangements of the EOS IM Group, including the ESG & Responsible Investment Policy, the Conflicts of Interest Policy and other relevant investment, governance and conduct policies. The Board is responsible for ensuring that the overall stewardship framework remains appropriate to the nature, scale and complexity of the Funds' investment strategies and the portfolio companies activities, structures and governance structures, along with the related governance rights over the portfolio companies.

The EOS IM Investment Committees, which report to the relevant Boards in accordance with their individual Terms of Reference, are responsible for the specific oversight of stewardship activities relating to the Funds and their portfolio companies. This includes overseeing the delivery of stewardship by the Investment Teams, reviewing material stewardship matters and engagement outcomes, considering proposed escalation measures, where appropriate, and ensuring that stewardship considerations are appropriately reflected in investment monitoring and decision-making.

The Investment Teams are responsible for the practical delivery of stewardship at portfolio-company level. Their responsibilities include:

- maintaining appropriate engagement with the Boards, Senior Management and other relevant representatives of portfolio companies;
- communicating EOS IM's governance, operational, financial and ESG-related expectations;
- monitoring agreed objectives, actions and performance indicators;
- identifying material stewardship issues, risks and opportunities;
- recommending appropriate remedial or escalation actions where progress is inadequate; and
- reporting stewardship activities, developments and outcomes to the relevant Investment Committee and other governance bodies.

Ongoing monitoring of stewardship is conducted jointly by the EOS IM Group's Corporate Functions and the relevant Investment Teams. The Corporate Functions provides cross-portfolio oversight across the investment strategies and portfolio companies, including monitoring the consistency of the EOS IM Group's stewardship approach, governance expectations, policy implementation and wider stewardship engagement. The Investment Teams are responsible for strategy-specific and portfolio-company-specific monitoring, including the assessment of engagement progress, portfolio-company performance and the implementation of agreed actions.

The Corporate Functions and Investment Teams shall share relevant information and coordinate their respective monitoring activities to ensure that material stewardship matters are identified, documented and escalated on a timely basis. Material issues, significant engagement outcomes, unresolved matters and proposed escalation actions shall be reported to the relevant Investment Committee and, where appropriate, to the EOS IM Board.

The Board, EOS IM Investment Committees, Corporate Functions and Investment Teams shall ensure that material stewardship activities falling withing their respective responsibilities are appropriately documented, where relevant. Such documentation shall support effective internal oversight, investor and regulatory reporting, and the periodic assessment of the effectiveness of the EOS IM Group's stewardship framework.

Meaningful Stakeholder Engagement

The EOS IM Group recognises that effective stewardship extends beyond engagement with the Boards and Senior Management of portfolio companies and includes constructive engagement with those stakeholders whose interests, expertise or perspectives may materially influence the long-term success, resilience and sustainability of the business. Accordingly, where appropriate and proportionate to the nature of the investment, the Investment Teams and EOS IM representatives appointed to portfolio company Boards shall encourage and support meaningful engagement by portfolio companies with their key stakeholders, which may include employees, customers, suppliers, lenders, investors, regulators, local communities, industry bodies and other parties materially affected by the company's activities. Such engagement is intended to improve the quality of strategic decision-making, strengthen corporate governance, identify emerging risks and opportunities, enhance operational resilience and support the long-term creation of sustainable value. The form, frequency and scope of stakeholder engagement shall be determined having regard to the nature, size and complexity of the portfolio company, the materiality of the issues under consideration and the rights and responsibilities of the relevant stakeholders. Where material matters are identified through stakeholder engagement, EOS IM will work collaboratively with the portfolio company's Board and senior management to consider appropriate actions, monitor progress against agreed objectives and, where necessary, incorporate the outcomes into the ongoing stewardship programme and investment oversight activities.

Portfolio Level

EOS IM Group is fully engaged with the Funds' underlying portfolio companies, held as investments in most cases acting as a controlling shareholder. Engagement is conducted in two stages: (a) pre-investment and (b) during the investment period.

Engagement typically takes the form of active communications (verbal and written) between EOS IM and the portfolio companies during which issues, EOS IM requirements and expectations on behalf of the relevant Fund(s) are discussed, with EOS IM representing the relevant Fund in its capacity as AIFM and/or DPM. Engagement activities also take place in the context of the periodic monitoring of KPIs, such as ESG KPIs, through data collection on relevant Fund performance.

Good engagement identifies relevant criteria and supports the establishment of an appropriate governance framework. This process is designed to encompass, consider and identify issues, set objectives, monitor progress and determine, where appropriate, proportionate escalation strategies and incorporate findings into investment decision making.

Prior to investment, the Senior Management, minority co-owners (if relevant) and EOS IM will have established an understanding of these requirements and expectations. Therefore, active engagement continues after the investment has occurred.

As the Funds' investment in portfolio companies is predominantly through majority ownership or qualified minority interests with appropriate governance rights, the EOS IM Group primarily engages with the management of the portfolio companies by way of participation on the Board (or any relevant committee) of the portfolio company.

EOS IM Group takes a consistent approach to engagement with companies in which the Funds invest, in all of the relevant jurisdictions. The EOS IM Group has therefore determined that it does not consider it appropriate to commit to any one particular code relating to any individual jurisdiction, recognising that in all major target jurisdictions the stewardship codes are focussed on listed companies rather than unlisted ones.

The engagement activities and the results will be monitored by EOS IM through its portfolio monitoring and review process at both portfolio company and Fund level.

During the acquisition and investment process, EOS IM identifies, assesses and prioritises those governance, operational, financial, environmental, social and strategic matters considered material to the long-term success and sustainable development of the portfolio company. These priorities are established through investment due diligence, ESG and responsible investment assessments, commercial analysis and discussions with the portfolio company's existing shareholders and senior management. Where appropriate, these matters are incorporated into the post-acquisition value creation plan, governance framework and ongoing stewardship programme.

The Investment Teams, together with EOS IM representatives appointed to the Boards or relevant governance bodies of portfolio companies, work collaboratively with the portfolio companies' Boards, senior management and other relevant stakeholders to deliver the agreed stewardship objectives. The objective is to support management in developing and implementing governance, operational, commercial and sustainability initiatives which enhance long-term enterprise value, strengthen governance and risk management, improve operational resilience and support the achievement of the investment objectives of the relevant Fund.

Accordingly, stewardship is delivered through continuous dialogue, constructive challenge, strategic support, monitoring of agreed actions and performance indicators, and the collaborative development and implementation of policies, procedures, governance frameworks and improvement initiatives. EOS IM Group seeks wherever possible to achieve positive outcomes through cooperation and consensus with portfolio company management, recognising that sustainable value creation is best achieved through an aligned partnership between investors, Boards and executive management.

Where progress against agreed stewardship objectives is not satisfactory, EOS IM will, in collaboration with the portfolio companies senior management determine appropriate remedial or escalation measures, taking into account the nature and materiality of the matter, the governance rights available to the relevant Fund and the long-term interests of the Fund and its investors. The exercise of formal governance rights, including voting rights, reserved matters or other shareholder rights, forms one element of the EOS IM Group's broader stewardship framework and will normally be exercised in support of, rather than as a substitute for, active collaborative engagement.

Policy Makers and Regulators

EOS IM may engage with Policy Makers and Regulators in relation to aspects pertaining sustainable finance, responsible investment and the broader realm of ESG issues.

EOS IM does not undertake direct lobbying activities. Public policy engagement is conducted primarily through recognised industry associations, trade bodies, responses to regulatory consultations and other relevant market initiatives.

EOS IM is an active member of third-party organisations, including associations and non-profit organisations, which engage with policymakers. As of the date of this Policy, EOS IM is a member (or participates in relevant activities) of the following organisations:

- **PRI** (Principles for Responsible Investment) formed by the United Nations, this is the world's leading proponent of responsible investment. It works to understand the investment implications of ESG factors and to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions;
- **AIFI** (*Associazione Italiana del Private Equity e Venture Capital*), the Italian private equity and venture capital association;
- **ELITE**, the unique platform created by Borsa Italiana (part of the London Stock Exchange Group) specifically for the most exciting and ambitious European SMEs which have a sound

business model, clear growth strategy and a desire to obtain funding in the near future. The scope encompasses 23 countries and over 30 sectors;

- Private Equity Monitor ("**PEM**") and Venture Capital Monitor ("**VeM**"), both active within LIUC – Università Carlo Cattaneo and supported by AIFI.

Moreover, EOS IM also interacts with governmental bodies in relation to matters such as permits, construction and operational requirements, taxes and other regulatory matters relevant to the activities of the Funds and their portfolio companies. All such relationships are conducted on a professional arm's-length basis and in accordance with the EOS IM Group Code of Business Conduct & Ethics, Financial Crime Prevention and Conflicts of Interest Policies.

EOS IM also interacts with local communities; this type of engagement occurs both as part of the permitting process and during the construction / operational phases of the development.

The method EOS IM uses to engage with the sustainable finance ecosystem is by providing technical input on ESG related laws, regulations, and policy change by actively participating in trade associations, working groups and committees, who in turn engage with policymakers.

It is therefore considered that although EOS IM does not have any direct political influence, through the third-party organisations, it can as part of the alternative fund management industry, have an input into the development of sound market practice and regulatory frameworks. Oversight of EOS IM's' public policy engagement activities rests with the Board and Senior Management, ensuring consistency with the EOS IM Group's governance framework, responsible investment objectives and commitment to the UNPRI.

For further information please see EOS IM policies on https://www.eosimgroup.com/sustainability/.

System-Level Risks and Market-Wide Stewardship

The EOS IM Group recognises that certain risks and opportunities may extend beyond an individual portfolio company and may affect multiple investments, sectors, markets or the wider economic, social and environmental systems on which long-term investment returns depend. These system-level risks may include climate change and the transition to a low-carbon economy, biodiversity and ecosystem degradation, resource scarcity, pollution, human-rights concerns, inequality, workforce disruption, supply-chain vulnerability, market integrity, financial stability, cyber threats, geopolitical developments and changes in laws, regulation or public policy. ESG-related system-level risks may arise where environmental or social conditions affect many businesses simultaneously, cannot be fully managed by an individual portfolio company acting alone, or create dependencies between the performance of portfolio companies and the resilience of the wider economy, communities and natural environment.

EOS IM will consider whether material issues identified through investment due diligence, portfolio monitoring, stakeholder engagement or wider market developments may have implications across a Fund, investment strategy, sector or multiple portfolio companies. In assessing such matters, EOS IM will take account of the potential financial, operational, regulatory, reputational and sustainability impacts; the likelihood, severity and time horizon of the risk; the exposure of the relevant Funds and portfolio companies; and the extent to which EOS IM can exercise influence or contribute to an effective response.

Where appropriate, EOS IM may address system-level risks through coordinated action across relevant portfolio companies, the development of common governance or sustainability expectations, engagement with portfolio-company Boards and senior management, participation in industry associations and investor initiatives, collaboration with other investors or stakeholders, and engagement with policymakers, regulators and market bodies. Such activities may include supporting improved market standards, disclosures, risk-management practices and policy frameworks intended to reduce systemic risks and promote the long-term resilience of the Funds, their portfolio companies and the wider systems on which sustainable investment value depends.

The nature and extent of EOS IM's response will be proportionate to the materiality of the issue, its relevance to the investment strategies of the Funds, the governance rights and influence available to EOS IM, and the likelihood that its engagement can contribute meaningfully to an effective outcome. Material system-level risks, related stewardship priorities and significant actions or outcomes shall be incorporated, where appropriate, into investment oversight, Board and Investment Committee reporting and the EOS IM Group's stewardship disclosures.

Conflicts

The EOS IM Group is of the view that, in addition to any regulatory requirements, as a matter of integrity, it must ensure fair treatment of its Funds and clients through managing all actual, potential and perceived conflicts of interest that may arise at any time during the life of the EOS IM Group. This is a matter of both internal policy and sound business practice.

The EOS IM Group maintains a Conflicts of Interest Policy, which is designed to ensure that the broader Group manages conflicts of interest fairly. Any conflicts identified, and the mitigating measures or actions taken to manage them, are documented.

Where stewardship activities give rise, or have the potential to give rise, to conflicts of interest, such conflicts shall be identified, assessed and managed in accordance with the Conflicts of Interest Policy, with the interests of the relevant Funds and their investors remaining the primary consideration.

Furthermore, EOS IM is committed to maintaining an open, transparent and constructive dialogue with the Funds' investors.

ESG

The EOS IM Group considers ESG to be central to its investment ethos.

Addressing ESG issues, risks and identifying opportunities has been determined by the EOS IM Group to be crucial elements for its stewardship approach in relation to the Funds and their portfolio companies. This aligns with the importance that the UN PRI places upon stewardship.

The EOS IM Group's overarching approach to ESG, including the integration of ESG considerations throughout the investment lifecycle, stewardship activities, engagement, materiality assessment and monitoring processes, is set out in the ESG&RI Policy. This Policy should therefore be read in conjunction with the ESG&RI Policy and in the Voting Rights section below.

Implementation

As for the implementation of this Policy across the whole EOS IM Group, the following items are mandatory:

- Consideration of stewardship, as part of the investment process;

- Active appointment of EOS IM Group individuals as members of the Boards of portfolio companies, where appropriate having regard to the relevant Fund's ownership rights and governance arrangements, including as set out in the Voting Rights section below;
- Inclusion of ESG requirements in investment selection, due diligence, and post-acquisition plans (ESG areas are mentioned in the *EOS IM Stewardship activities* section);
- Application of selection criteria including prohibited sectors and activities under an Exclusion List.

The following items can be overruled in specific case (how and when explained below):

- Appointment of directors – In cases (although quite unlikely) where the relevant Fund has taken a minority stake in a portfolio company, it may not be possible to appoint a representative of the EOS IM Group to the Board. In such cases, should they arise, the investment decision will take into account the manner of EOS IM's / the Fund's involvement and the appropriateness of the resulting stewardship engagement, including leverage its right of voting shareholders in general meetings. See Voting rights below;
- Exclusion List – In certain circumstances, there is the potential for a target investment to be in a company which is involved in, linked to or has a part of its business directly involved in a sector which is included within Exclusion List. This matter would be carefully considered by EOS IM and the impacts duly assessed, with required courses of action. Such pre and/or post investment course of action may for example include cessation of the activity by the target company.

Stewardship efforts and results are communicated to the relevant individual and across the EOS IM Group to feed into investment decision and vice versa in the following way:

- Investment Committee and Board meetings
- Investment Team meetings
- EOS IM Group Team meetings

Voting Rights

The Fund's voting policy reflects the ownership structures, including the percentage of ownership, through which the relevant Funds invest and the governance rights available in each investment.

The Policy will apply a consistent core standardised methodology, which will vary slightly, dependent upon whether the relevant Fund invests either (*a*) in a manner whereby it holds the majority of shares / voting rights or (*b*) may be a minority position (shareholding/voting rights).

To date the Funds have focussed on and only invested in unlisted companies, whereby they have taken a majority voting position.

EOS IM will monitor all relevant corporate actions in relation to the Funds' voting rights and ensure that the exercise of voting rights is in accordance with the relevant investment objectives and investment policy of the relevant Fund.

These corporate actions will be assessed using the following broad criteria:

- **Capital Measures**

  EOS IM will, in general, only approve changes in the Fund's investments' capital structure, if they are not detrimental to the Funds' shareholders.

- **Governing Bodies**

  EOS IM will assess its voting strategy concerning companies the Funds have invested in, based upon the potential impact of changes (in the Governing Body of the relevant investment the Funds have invested in).

  This will take into account factors such as:

  - will the vote lead to a decline in performance;
  - do significant doubts exist about the competences of the current Governing Body;
  - has there been or likely to be a legal or compliance failure and/or other severe misconduct;
  - do significant doubt exist about the willingness to ensure an adequate female representation and to produce reports on company's efforts to diversify the Board.

- **Mergers and Acquisitions**

  EOS IM will assess, for and on behalf of the Funds, potential mergers and acquisitions on a case-by-case basis.

  As guidance, it will vote in favour of a merger or a takeover if appropriate information exists and if the process, and the anticipated results, are in line with the Funds' relevant investment policy and objectives and the interests of the investors.

- **Reporting and Information**

  If there is a lack of clarity and/or validity of the proposals and/or reports, EOS IM will consider these on a case-by-case basis.

  As guidance it will abstain in such circumstances. In exceptional cases it may vote against the particular agenda items. If the financial statements are not compliant with standard accounting rules, EOS IM will vote against the acceptance of the annual financial statements.

- **Conflicts of Interest**

  EOS IM, where such issues are identified, will act in a manner designed to prevent or manage any conflicts of interest arising, through the exercise of voting rights in accordance with its Conflict of Interest Policy, designed to ensure that voting decisions are taken in the best interests of the relevant Fund and its investors.

- **ESG aspects**

  EOS IM will support proposals advocating greater ESG disclosure or ESG standards, policies and/or codes (i.e., disclosure of environmental policies, such as on climate change; disclosure on social policies, such as human rights or health and safety; disclosure on governance policies, such as anticorruption and anti-money laundering; ESG reporting).
  The exercise of voting rights shall be consistent with the EOS IM Group ESG&RI Policy and shall take into account material ESG risks and opportunities identified throughout the investment lifecycle.
  EOS IM will also act in a manner designed not to support proposals that fail to adequately manage or mitigate material ESG risks or that are inconsistent with the EOS IM Group ESG&RI Policy.

There will be a slight variation as to how the methodology is applied on a specific case by case basis, depending on whether the relevant Fund is in a majority or minority position.

Majority shareholding / voting rights scenarios:

Where, through the relevant Fund's investment strategy, the relevant Fund holds a controlling interest in a portfolio company, the Fund will generally exercise the governance and voting rights associated with that investment.

EOS IM, as AIFM and/or DPM, as applicable, on behalf of the relevant Fund, will be able to initiate corporate actions where appropriate and exercise the governance and voting rights available to the relevant Fund, including providing instructions to the relevant company's governing body in its capacity as the majority controlling shareholder, where applicable. The requirements for, and the nature of, corporate actions will be assessed in accordance with the methodology set out above and encompass in the best interest of the Funds and their investors.

Minority shareholding /voting rights scenarios:

Where the relevant Fund holds a qualified minority interest or participates in a joint venture, it will not be able to, it will not be able to exercise the same level of influence through ownership alone as in a controlling interest scenario. The approach applied will therefore be as follows:

- Investments will only be made into corporate entities where the investment due diligence confirms an appropriate alignment of interest, governance arrangements and stewardship objectives between the relevant parties;
- where applicable, the relevant Fund's governance rights, including shareholder agreements, reserved matters and board representation, are designed to support the effective exercise of stewardship;
- Through legal agreements and practical application of governance structures, EOS IM seeks to ensure that the relevant Fund has appropriate rights to engage and deliver its approach to stewardship.

EOS IM will, however, continue to determine and tailor its precise course of action, based upon both the methodology set out above and the specific nature of the investment.

This Policy applies to all stewardship activities undertaken by EOS IM in relation to the relevant Funds, taking into account the nature of the investment, the governance rights available and the applicable regulatory arrangements under which EOS IM acts.

Stewardship Reporting and Transparency

The EOS IM Group is committed to transparent, accurate and meaningful reporting on its stewardship activities. Stewardship reporting promotes accountability to investors and other stakeholders, demonstrates how stewardship contributes to the long-term creation and preservation of value, and supports the continuous enhancement of the EOS IM Group's stewardship framework.

Stewardship reporting shall be proportionate to the nature, scale and complexity of the EOS IM Group's investment activities, taking account of the ownership structure of portfolio companies, the confidentiality obligations owed to investors and portfolio companies, and applicable legal, regulatory and contractual requirements. The EOS IM Group will seek to provide sufficient information to enable investors and other stakeholders to understand its stewardship approach, the activities undertaken and the outcomes achieved.

Training and Awareness

All relevant EOS IM Group Personnel are provided with training and awareness in respect of the EOS IM Group policies, including this Policy and the wider ESG framework.

Revisions and Approval of this Policy

This Policy is subject to the approval of the EOS IM Board (the "**Board**") and will be made available to relevant external parties, where appropriate.

The EOS IM Group also issues a Stewardship Statement, which is published on the EOS IM Group Website, summarising its stewardship approach and relevant activities.

This Policy will be reviewed periodically, and may be amended or revised from time to time by the EOS IM Group to reflect changes in applicable laws and regulations, industry best practice, the EOS IM Group's governance framework or its stewardship activities.