

Participation policy of Bonafide Wealth Management AG

Bonafide Wealth Management AG, hereinafter referred to as “Bonafide”, is included under the term “Asset manager” pursuant to Article 367a No. 3 of the Liechtenstein Persons and Companies Act (*Personen- und Gesellschaftsrecht*, PGR) and must therefore describe its Participation policy within the meaning of Article 367h PGR insofar as investments are made on behalf of investors in shares traded on a regulated market pursuant to Article 367 para. 3 No. 2 PGR. This applies to the activities of Bonafide as an asset manager for funds. The following Participation policy applies:

1. Bonafide exercises shareholder rights and participation in companies in which investments have been made, hereinafter referred to as “companies”, independently and exclusively in the interest of the funds. It observes the investment principles and investment restrictions for the execution of the investment policy and investment regulations set out in the fund prospectuses.

This investment strategy is significantly supplemented by the **principles of sustainable investment** and the concept of active ownership, which is derived from the Bonafide **Active Ownership Principles**.

2. Bonafide monitors important matters within companies by analysing the legally required financial reporting documents, as well by as taking note of ad hoc announcements and external assessments from sustainability rating providers. Monitoring also takes the form of active ownership measures, which result in particular from the due diligence and engagement process. All findings are directly incorporated into investment decisions.
3. Within the framework of active ownership, Bonafide conducts dialogues with companies. In particular, the guidelines set out in the Active Ownership Principles are taken into account.
4. When exercising voting rights or any other rights associated with shares, insofar as the funds have been commissioned to do so, Bonafide acts in accordance with the provisions of the fund prospectuses. In addition, Bonafide observes the principles for exercising voting rights within the framework of active ownership.
5. When implementing the Active Ownership Principles, Bonafide seeks to cooperate with other shareholders. Cooperation is also sought wherever possible, for example by supporting shareholder proposals that are in line with the investment strategy of Bonafide.
6. Cooperation with relevant stakeholders of the companies takes place whenever possible and is also supported by the Active Ownership Principles.
7. Bonafide is committed to resolving potential or actual conflicts of interest in favour of the interests of the fund. If conflicts of interest cannot be resolved in an appropriate manner, the matter is disclosed to the funds.

Bonafide publishes an annual report on its Participation policy as part of its annual **Active Ownership Report**.