

VOTING POLICY

*Strategy for exercising rights relative to
financial instruments of managed UCI's*

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General Principles

In accordance with the provisions of Article 23 of CSSF 10-4 Regulations of 24 December 2010 and of Paragraph III.2 of Circular CSSF 11/518 dated 15 April 2011 - and in relation to the selected management style with regard to each of the managed UCI's - BG FUND MANAGEMENT LUXEMBOURG S.A. (hereafter, the Company) adopts, applies and maintains this strategy for exercising the participation and voting rights inherent to the stock-based financial instruments of said UCI's (hereafter, the Strategy).

The Strategy - approved by the Board of Directors of BG FUND MANAGEMENT LUXEMBOURG S.A. - is aimed at ensuring that participation and voting rights are exercised for the sole purpose of promoting the interests of the UCI's under management, in the exclusive interests of their participants.

The adopted Strategy defines the procedures and measures which must be adopted in order to:

- a) monitor the corporate events connected with the financial instruments in the portfolios of the managed UCI's, when required by the characteristics of the financial instruments that incorporate the rights to be exercised;
- b) assess the procedures and timing for exercising any participation and voting rights, on the basis of a cost-benefit analysis that also considers the objectives and investment policy of the UCI's.

The provisions set out herein are consistent with the policy and investment objectives of the UCI's and enable the Company freely to exercise participation and voting rights according to its own decisions, in the interest of the managed UCI's and of their participants. For this purpose, the exercise of the participation and voting rights is not bound by or subject to voting or blocking shareholders' agreements.

Scope of reference

In implementing the provisions per Article 23 of CSSF 10-4 Regulations, the Company has set the criteria to assess the opportunity, procedures and timing for exercising participation and voting rights through a cost - benefit analysis that also takes into consideration the objectives and investment policies of the managed UCI's. In particular, a combination of quantitative and qualitative criteria was identified in order to promote the correct fulfilment of the management duties and the monitoring of relevant corporate events involving the financial instruments in the portfolio.

These choices are determined by the relevance of the vote and by the costs deriving from participation in shareholders' meetings of issuers in which the Company does not own a significant portion of the shares.

The Company assesses the opportunity of exercising voting rights first of all on the basis of a quantitative criterion, i.e. whether the shares held meet or exceed the relevance threshold established herein.

BG FUND MANAGEMENT LUXEMBOURG S.A. therefore exercises the voting rights with reference to all the equity based financial instruments held by the managed UCI. Specifically, the minimum threshold has been set at 2%¹ of the capital of the companies issuing the financial instruments present among the assets of the managed UCI. Once this limit is exceeded, the Company participates and votes on the decisions made in the course of shareholders' meetings (ordinary and/or extraordinary). In addition to the quantitative criterion, a qualitative criterion was set which limits the Company's participation to the corporate events of European issuers present in countries where Generali Investments Group and Banca Generali operate (currently: Italy, France, Germany and Luxembourg) and which are listed on regulated markets.

If the set limits are not exceeded, then participation and voting rights shall be exercised if required by the need to safeguard the interest of UCI shareholders.

Monitoring relevant corporate events connected to the financial instruments in the portfolios of the managed UCI's

Constant monitoring of the corporate events connected to the financial instruments in the portfolios of the UCI's - for which the participation and voting rights are exercised - is facilitated by the thorough knowledge of the issuers identified according to the criteria set out in the previous paragraph. This knowledge is accompanied by the constant consultation of the notices available on the major info-providers currently used in the market (e.g. Bloomberg,).

Procedure for determining the vote to be cast

If the above criteria are met, the Investment Committee does the necessary research in order to decide how to vote at the meeting, basing its decision on the information provided directly by the involved companies, on a thorough knowledge of the issuers, of their corporate strategies and on contacts with management and in the exclusive interest of the UCI's and of their participants, thereby preventing and managing any conflicts of interest that may impact on the freedom to make these decisions.

¹ This threshold is measured on the stock position held by each fund, taken individually, as of 31 December of the previous year.

Once the Company's position is defined, the General Manager and/or the Chief Investment Officer have the authority to appoint, also separately from each other, the persons who shall participate from time to time in the corporate events and cast the vote on behalf of the Company.

The Board of Directors may formulate binding instructions at any time.

Managing conflicts of interest

In view of the need to safeguard the interest of the UCI's and of their participants and to assure full decision-making freedom, specific limitations have been set to the power to exercise participation and voting rights; this was implemented in order to prevent and manage conflicts of interest.

In particular, it is prohibited to exercise the voting right inherent to financial instruments relative the managed UCI's and issued by the companies that directly or indirectly control or belong to the Banca Generali Banking Group.

There is a similar prohibition for the financial instruments issued by companies belonging to Gruppo Assicurazioni Generali S.p.A.

Procedure for exercising participation and voting rights

In view of the particular type of issuers identified within the Strategy, the ordinary procedure for exercising voting rights entails direct participation in the shareholders' meeting or correspondence voting, using the systems proposed by the custodian bank of the UCI.

BG FUND MANAGEMENT LUXEMBOURG S.A. may delegate its voting right to companies in its Group, or to their representatives.

Brief description of the Strategy available for participants

By means of its website, the Company provides UCI participants with a document containing the description of this Strategy.

In line with the provisions of Article 23 of CSSF 10-4 Regulations of 24 December 2010 and of Paragraph III.2 of CSSF Circular 11/518 dated 15 April 2011 - whereby the Company shall, *inter alia*, maintain a Strategy - every essential amendment made to this document shall be notified to the investors by publication of the updated version on the Website www.bgfml.lu. The Company has no obligation to notify in any other way the amendments made.

Full disclosure of the cast vote

BG FUND MANAGEMENT LUXEMBOURG S.A. SA. provides full disclosure of the vote as cast and of the behaviours held in exercising its voting rights in the form previously established by the Governing Body and in particular by preparing a document to be made available at the Company's registered office.

The disclosure contains:

- (i)* the number of companies in which the participation and voting rights were exercised, in addition to comparing this figure to the total number of issuers with respect to which voting rights were exercisable;
- (ii)* the number of cases in which the principles set in the Strategy could not be applied;
- (iii)* the conflict of interest situations handled in exercising the participation and voting rights associated to the financial instruments held by the managed UCI;
- (iv)* the list of securities for which the voting right was exercised, the agenda items for which the voting right was exercised for each security and the type of vote cast.