



2018 Annual Report on Voting Rights

Proxy Voting is key component of our business, TOBAM uses its ownership position in companies to further its commitment to socially responsible investing on behalf of clients, and to improve corporate governance by exercising proxy voting rights. Voting is conducted in the sole interest of clients.

February 2019

About TOBAM – General Voting Rules

Voting Scope

TOBAM votes for all open-ended funds managed by TOBAM, and for mandates and closed-ended funds, on specific request from the client.

TOBAM hasn't set up any minimum shareholding nor geographical restriction to exercise its voting rights.

Exercising Voting rights

TOBAM has outsourced the exercise of its voting rights to ISS since January 1st, 2012, under the supervision of the Risk management of TOBAM. TOBAM has outsourced the voting guidelines to ISS, using ISS "[SRI International Proxy Voting guidelines](#)" voting policy. However, TOBAM has decided in 2016 to implement, on top of ISS voting policy, some voting guidelines on specific topics that might differ from ISS SRI Guidelines: [TOBAM's Voting Policy](#).

For each meeting and resolution, ISS suggests a voting decision and automatically vote on behalf of TOBAM. ISS proxy voting policy is reviewed and validated once a year by an audit committee.

Voting Perimeter

Share Blocking Requirements

Some issuers require that shareholders who wish to vote must deposit their shares beforehand. The shares remain inaccessible for lengths of time that vary widely depending on the country, issuer, custodian and sub-custodian. TOBAM has expressed that it will not vote at meetings implying share blocking requirements.

Securities Lending Programme

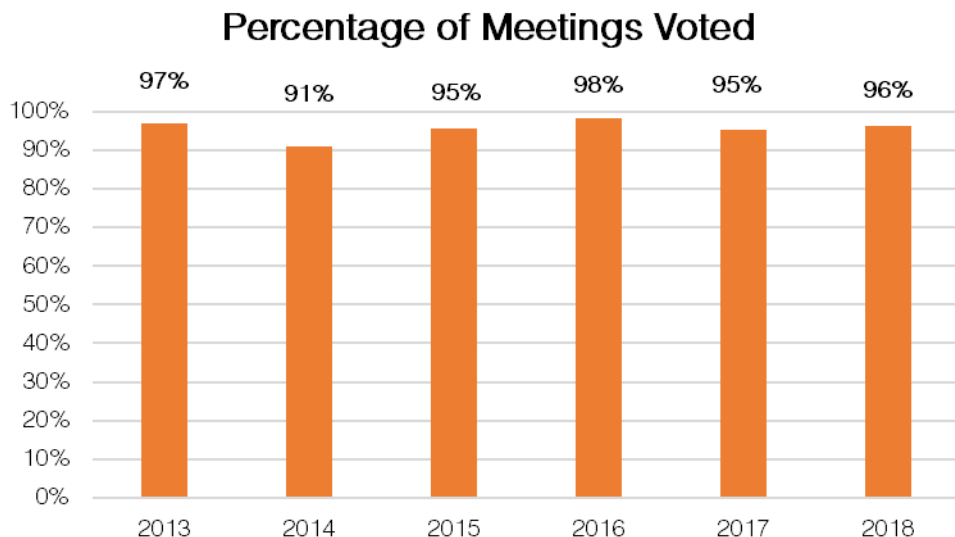
TOBAM does not recall lent shares for voting purposes.

2018 Analysis of Meetings

1. Participation Rate – Overall

Number of votable meetings	961
Number of meetings voted	924

**Participation Rate 2018:
96.15%**



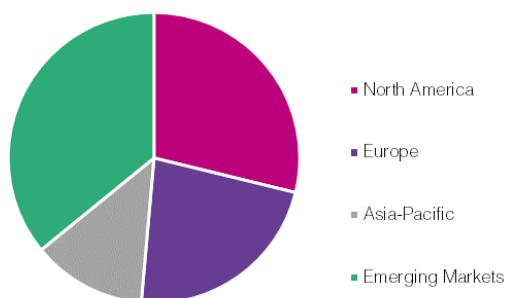
2. Participation Rate – By Region

	Number of meetings voted	Participation Rate
North America	277	100%
Europe*	217	83.4%
Asia-Pacific	122	100%
Emerging Markets	345	99.7%
Total	961	96%

*: Participation rate in Europe excluding Switzerland & Luxembourg averages **93% in 2018**.

Switzerland: participation rate is at 0% due to share blocking requirements & Luxembourg is at 44% due to the TOBAM SICAV based in Luxembourg for which general meetings TOBAM doesn't vote.

Breakdown of voting by region



2018 Analysis of Votes

1. Overall Analysis:

Number of votable items	10 490	
Number of items voted	9 730	93%
Number of Votes FOR	7 597	78%
Number of Votes AGAINST	1 957	20%
Number of Votes ABSTAIN	65	0.67%
Number of Votes WITHHOLD	113	1.16%

For more information

TOBAM is an asset management company offering innovative investment capabilities designed to increase diversification. Its mission is to provide rational and professional solutions to long term investors in the context of efficient markets.

The Maximum Diversification® approach, TOBAM's flagship investment process founded in 2006, is supported by original, patented research and a mathematical definition of diversification and provides clients with diversified core exposure, in both the equity and fixed income markets.

In line with its mission statement and commitment to diversification, TOBAM also launched a separate activity on cryptocurrencies in 2017.

TOBAM currently manages close to US\$10 billion (at December 29, 2018). TOBAM's team is composed of 54 professionals.

For more information, visit www.tobam.fr

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Investment involves risk, past performance is not indicative of future results, investors could lose of their investment. All investors should seek the advice of their financial advisor prior to any investment decision in order to determine its suitability.

Past performance and simulations based on back tests are not reliable indicators of future performance, forecast or prediction. Back tested data may reflect the application of the strategy methodology to historical data, and thus the strategies were constructed with the benefit of hindsight and has inherent limitations. TOBAM has continued and will continue its research efforts amending the investment process from time to time accordingly. TOBAM reserves the right of revision or change without notice, of the universe, data, models, strategy and opinions.

The constraints and fees applicable to an actual portfolio would affect the results achieved. The value and the income produced by a strategy may be adversely affected by exchange rates, interest rates, or other factors. This material, including back tests, is based on sources that TOBAM considers to be reliable as of the date shown, but TOBAM does not warrant the completeness or accuracy of any data, information, opinions or results.

The carbon impact shown is the weighted average of carbon emissions corresponding to scopes 1 and 2 of the GHG Protocol. Data on emissions used is obtained from a number of sources including company reports, CDP questionnaire (Carbon Disclosure Project) or the estimation model. The data does not take into account all emissions induced by the firm.

TOBAM's quantitative investment process is supported by extensive proprietary computer code. TOBAM's researchers, software developers, and IT teams follow a structured design, development, testing, change control, and review processes during the development of its systems and the implementation within our investment process. These controls and their effectiveness are subject to regular internal reviews. However, despite these extensive controls it is possible that errors may occur in coding and within the investment process, as is the case with any complex software or data-driven model, and no guarantee or warranty can be provided that any quantitative investment model is completely free of errors. Any such errors could have a negative impact on investment results. We have in place control systems and processes which are intended to identify in a timely manner any such errors which would have a material impact on the investment process.

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