

EXERCISE OF VOTING RIGHTS

Pursuant to Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 ("**SRD II**") and Chapter 1 ter of the Law of 24 May 2011 as amended by law of 1 of August 2019, NEAM is required to develop a shareholder engagement policy indicating the following elements on a "comply or explain" basis:

- i. The monitoring of investee companies on relevant matters, including strategy, financial and nonfinancial performance and risk, capital structure, social and environmental impact and corporate governance;
- ii. How it conducts dialogues with investee companies;
- iii. How it exercises voting rights and other rights attached to shares;
- iv. How it cooperates with other shareholders;
- v. How it communicates with relevant stakeholders of the investee companies;
- vi. How it manages actual and potential conflicts of interests in relation to its engagement.

Moreover, in accordance with Art. 1 sexies. (1) (2) of the Law of 24 May 2011, NEAM is also required to publicly disclose on an annual basis how its policy has been implemented, including a general description of voting behaviour, votes casted, an explanation of the most significant votes and the use of the services of the proxy advisors.

NEAM effectively adopted a voting rights policy compliant with the applicable legislative and regulatory requirements. However, for each NEF Sub-Fund for which voting rights attached to instruments held in the managed portfolios are to be exercised, NEAM has expressly delegated its appointed investment managers of the relevant NEF sub-funds to:

- Develop an adequate and effective strategy for determining when and how voting rights attached to instruments held in the managed portfolios are to be exercised, to the exclusive benefit of NEF and its investors at their complete discretion provided that they are able to comply with the applicable regulatory framework and bearing the costs of it.

In this regard, NEAM encourages investment managers to exercise voting rights in a sustainable manner, taking into account the Regulation (EU) 2019/2088 and the related regulatory framework.

- Develop an engagement policy that describes how it integrates shareholder engagement in its investment strategy including the elements above-mentioned for NEAM to publicly disclose it.
- Provide on an annual basis how its policy has been implemented, including a general description of voting behavior, votes casted, an explanation of the most significant votes and the use of the services of proxy advisors for NEAM to disclose it.

Hence, as long as the investment management function is completely delegated, NEAM's activity in this regard is limited to the oversight of its appointed investment managers.

Any further information concerning the implementation of the SRD II shall be made available by the investment managers appointed by NEAM. In this regard, please note that the appointed investment manager may disclose the information related to the implementation of its voting rights policy also on an aggregate basis and, therefore, without specific indication of the votes exercised on behalf of the relevant NEF Sub-Fund. Please refer to NEF Prospectus for any other information relating thereto.

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