

Voting Policy

1. Introduction

As part of its fiduciary responsibility to act in the best interests of its clients, Artal Capital has established a Voting Rights Policy to guide the exercise of voting rights associated with securities held by its Funds.

This policy is designed to ensure that all voting decisions align with the collective best interests of the Fund's unit holders and contribute to the long-term enhancement of client asset value. The Fund Manager will apply the same level of diligence, care, and skill in voting decisions as in managing the Funds.

Approval and oversight of this voting rights policy is the responsibility of Artal's Fund Board. This is in accordance with Article 60 of CMA's Investment Funds Regulations.

2. Voting Guidelines

The Fund Manager shall exercise voting rights with the primary objective of improving the economic value of the portfolio while considering:

- Protection of unit holders' rights.
- Enhancement of the Firm's intrinsic value.
- Improvement of the Firm's governance and financial structure.

Typical voting matters include, but are not limited to:

- Election of corporate directors.
- Appointment of external auditors.
- Approval of management compensation plans.
- Changes to the capital structure of the Firm.

3. Key Voting Considerations

3.1 Corporate Governance Matters

The Fund Manager supports proposals related to mergers, acquisitions, and corporate restructurings that are determined to be in the best interest of unit holders.

3.2 Capital Structure Changes

The Fund Manager will generally support proposals for changes in capital structure if:

- A clear benefit or strategic rationale is demonstrated.

The Fund Manager may vote against proposals for issuing additional shares changes may result in excessive dilution of shareholder value.

3.3 Management Compensation

The Fund Manager will support remuneration proposals that:

- Are directly tied to the Firm's long-term performance.
- Align with the enhancement of shareholder value.

3.4 Directors and Committees

The Fund Manager supports the establishment of an independent Board of Directors and the appointment of key oversight providers such as external auditors, ensuring proper governance and accountability.

3.5 Other Matters

Any additional matters raised by the Firm or other shareholders will be assessed on a case-by-case basis, with a focus on maximizing shareholder value.

4. Conflict of Interest

To mitigate potential conflicts of interest, the Fund Manager will:

- Abstain from voting in situations where conflicts are identified.
- Ensure all voting decisions are made in the best interests of unit holders, without undue influence from external parties.