



Green Ash Partners LLP

SRD II Engagement Policy

December 2019

Engagement Policy

Introduction and Purpose

The EU Shareholder Rights Directive II (“SRD II”) contains various obligations relating to shareholder engagement and transparency. These obligations have been implemented in the UK from 10 June 2019, and those which apply to asset managers are contained in the Financial Conduct Authority’s Conduct of Business Sourcebook.

SRD II requires asset managers to adopt on a “comply or explain” basis an engagement policy describing how as an asset manager it integrates in its investment strategy shareholder engagement relating to companies that have a registered office in the EU and are listed on EU regulated markets.

Definition

An Asset Manager for the purposes of this policy relates to investment firms that provide portfolio management services to investors; alternative investment fund managers; and/or Undertaking for Collective Investment in Transferable Securities (UCITS) management companies.

Application

The following Engagement Policy applies to Green Ash Partners LLP because the Firm invests in equities of companies domiciled in the European Economic Area (EEA) and are listed on a recognized trading venue within the EEA.

Policy

Green Ash Partners LLP is required to disclose this engagement policy which complies with the requirements set out in the FCA’s Conduct of Business Sourcebook and publicly disclose on an annual basis how that engagement policy has been implemented in a way that meets the requirements (including disclosure of certain of voting activities in respect of shares in investee companies) or to publish a clear and reasoned explanation of why the Firm has chosen not to comply with the requirements.

Green Ash Partners LLP must describe how it:

1. integrates shareholder engagement in its investment strategies;
2. monitors investee companies on relevant matters (e.g. strategy, financial and non-financial performance and risk, capital structure, social and environmental impact and corporate governance);
3. conducts dialogues with investee companies;
4. exercises voting and any other shareholder rights;
5. cooperates with other shareholders;
6. communicates with relevant stakeholders of investee companies;

7. manages actual and potential conflicts of interests in relation to Green Ash Partners LLP's engagement.

Integrating shareholder engagement in our investment strategies

Research and analysis by our investment managers includes evaluation of performance on strategy, financials, risk, material environmental social and governance ('ESG') factors. Engagement with company management, boards, subject specialists as well as other shareholders and stakeholders is a key input into this process and investment strategy. Voting and engagement activities can be used by the Firm to provide a forward-looking view of the financial and non-financial performance of a company.

Monitoring investee companies on relevant matters

Green Ash Partners LLP may actively monitor investee companies. Areas of focus may include issues with regard to company strategy, ongoing performance and operational ESG factors. The Firm may have discussions with company officials and representatives where appropriate.

The Firm's monitoring is also supported by the following:

- Green Ash Partners LLP's proprietary research; and
- Data provider subscriptions

Conducts dialogues with investee companies

The Firm will take a case-by-case approach in its decision to engage with the management of an investee company. Normal methods through which dialogue shall be exercised include:

- regular meetings, visits, and telephone calls during which Green Ash Partners LLP discuss and pose questions on operational, strategic and other management issues and, where appropriate, the Firm shall offer their own opinions and comments, based on their fiduciary duty to its clients; and
- proxy voting; where Green Ash Partners LLP's clients delegate the responsibility to vote proxies, the Firm as a fiduciary is compelled to vote proxies in the best interests of its clients. See Green Ash Partners LLP's Proxy Voting Policy.

Exercising voting and any other shareholder rights

For Green Ash Partners LLP, voting is an effective tool to escalate issues and express particular concerns and/or opinions the Firm may have. Green Ash Partners LLP aims to ensure effective and efficient voting processes and controls by focusing on investments that are material to the Firm.

Cooperating with other shareholders

Green Ash Partners LLP takes into consideration the following when deciding whether to participate in collective engagement:

- the engagement objectives of the collective group are consistent with Green Ash Partners LLP's objectives;
- engaging as part of a group will be more successful than engaging individually; and
- engaging as a group could be interpreted as having "acted in concert" with another financial institution. If Green Ash Partners LLP's Legal and/or Compliance believe that this may be the case, the Firm will not participate.

Communicating with relevant stakeholders of investee companies

Green Ash Partners LLP's investment professionals regularly engage with companies seeking to improve shareholder value, specifically the value of clients' investments. Engagement activities in some instances are conducted on a one-to-one basis with company management or members of the board of directors.

Managing actual and potential conflicts of interests in relation to Green Ash Partners LLP's engagement

Green Ash Partners LLP as an investment firm is aware that conflicts of interest may arise when assessing whether and how to engage with companies. The Firm has a Conflict of Interest Policy in place to help define limitations, the need for robust internal processes and procedures to mitigate the risk of conflicts, as well as the disclosure being the last resort for instances in which potential or actual conflicts are unable to be effectively managed internally. Said policy shall apply to the Firm's engagement and any proxy voting activity.

Procedure

The Firm shall disclose a general description of voting behaviour, an explanation of the most significant votes and report on the use of the services of proxy advisors. The disclosure must include details of how votes have been cast, unless they are insignificant due to the subject matter of the vote or to the size of the holding in the company. This shall be made freely available on Green Ash Partners LLP's website and updated annually, unless there has been no material change.