



Shareholder Engagement Policy

of

Carne Global Fund Managers (Ireland) Limited

August 2020

Background

Carne Global Fund Managers (Ireland) Limited (the “**Company**”) acts as UCITS Management Company/Alternative Investment Fund Manager to Irish and non-Irish collective investment schemes (the “**Funds**”).

A number of these Funds invest in “shares traded on a regulated market” as prescribed within the European Union (Shareholders' Rights) Regulations 2020 which transposed Directive (EU) 2017/828 into Irish law (collectively “**SRD II**”). For the purpose of Irish law and this Policy, “shares traded on a regulated market” are to be considered shares of companies with a registered office within an EU member state with its shares traded on a stock exchange of a country within the European Economic Area (“**EEA listed companies**”).

The Company, as a “relevant asset manager” as defined in SRD II, has adopted and published this Shareholder Engagement Policy (the “**Policy**”) to outline the approach it has taken to meet its obligations as prescribed under SRD II.

Delegation

In respect of the Funds which invest in EEA listed companies the Company will, in all instances, delegate the portfolio management function to an Investment Manager and the Company will oversee the performance of each Investment Manager thereafter.

As a result, it is the Investment Manager of each of the Funds who will select the investments of each of the Funds and, in the context of EEA listed companies, where relevant, engage with the EEA listed companies prior to investment and on an ongoing basis thereafter.

To that end, the Company will ensure that for each Investment Manager which invests in EEA listed companies, that an appropriate Shareholder Engagement Policy is implemented by the Investment Manager, as determined by the extent to which engagement activity (as outlined below) is relevant to the investment philosophy of the Investment Manager.

The Shareholder Engagement Policy of each Investment Manager shall describe how, and to what extent, the Investment Manager:

1. Integrates shareholder engagement in the Funds’ investment strategy;
2. Monitors the EEA listed companies on relevant matters;
3. Conducts dialogues with the EEA listed companies;
4. Exercises voting and other rights in the shares of EEA listed companies’;
5. Co-operates with other shareholders of the EEA listed companies;
6. Communicates with the stakeholders of EEA listed companies in which they have invested;
and
7. Manages conflicts of interest.

The Company shall ensure that the Investment Manager's Shareholder Engagement Policy is made available on the website of the Investment Manager, or on any such other platform which is easily accessible for the investors of each fund. Each Policy shall be made available free of charge.

Annual Disclosures

In addition, the Company shall ensure that each Investment Manager which has invested in EEA listed companies in the preceding year on behalf of a Fund, publishes the required annual disclosures in accordance with SRD II. These disclosures shall at a minimum include:

- a general description of voting behavior;
- an explanation of the most significant votes;
- an explanation of any use of the services of proxy advisors; and
- information on how votes on shares of investee companies have been cast.

Where the investors of the Funds are institutional investors, such as EU regulated life insurance companies or occupational pension schemes, the Company shall ensure that, in addition to the above, the Investment Manager of each of the Funds publishes the following information detailing how the Investment Manager has:

- Complied with the terms of the arrangement to invest on behalf of an institutional investor; and
- Contributed to the medium to long-term performance of the assets of the institutional investor or a fund managed by an institutional investor.

The Company shall ensure that institutional investors receive the following information to comply with these additional disclosure requirements:

- The key material medium to long-term risks associated with the investments;
- Portfolio composition;
- Turnover and turnover costs;
- The use of proxy advisors for the purpose of engagement activities; and
- The Investment Manager's policy on securities lending and how it is applied to engagement activities.

The Company shall ensure that the disclosures are made available on the website of the Investment Manager, or on any such other platform which is easily accessible for the investors of each fund. The disclosures on these websites shall be made available free of charge.

Policy Governance

This Policy, and the Shareholder Engagement Policy of each Investment Manager, shall be subject to annual review.

Investor Queries

Should you have any queries as to the contents of this Policy or wish to enquire further into the engagement activities of either the Company or the Fund(s) you are invested in for which the Company acts as UCITS Management Company/Alternative Investment Fund Manager, please contact carneoversight@carnegroup.com .