

SARANAC

PARTNERS

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# UK Stewardship Code

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# UK Stewardship Code

This statement outlines Saranac Partner's position with respect to the UK Stewardship Code (the "Code"), which was published by the Financial Reporting Council ("FRC") in July 2010, amended in September 2012 and updated in January 2020.

Saranac Partners recognises the values and aims of the Code and is generally supportive of good stewardship as contained within the Code. As such, in practice, Saranac Partners would take into consideration the principles as set out in the Code. However, Saranac Partners has not made a formal commitment of compliance with the Code.

However, Saranac Partners operates as an investment manager with the aim of informing and enabling investors. The firm's policies and procedures reflect the spirit of a number of aspects of the code. This includes a robust procedure for managing and disclosing conflicts of interest. Further, our investment management policy provides a framework for sound investment analysis to ensure that our client's needs are met now, and in the long term. The firm uses Bloomberg as a source to consider Environmental, Social and Corporate Governance (ESG) issues thus ensuring we make an informed investment decision without limiting our universe of opportunities.

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# Shareholders Rights Directive II Disclosure

The Shareholder Rights Directive II (“SRD II”) aims to improve stewardship and corporate governance by firms, including UK MiFID investment firms that invest in shares traded on a regulated market in the EEA, as well as ‘comparable’ markets situated outside of the EEA.

**Under FCA COBS 2.2.B.5R, Saranac Partners is required to:**

- (a) develop and publicly disclose an engagement policy that meets the requirements of COBS 2.2B.6R; and
- (a) publicly disclose on an annual basis how our engagement policy has been implemented in a way that meets the requirements of COBS 2.2B.7R; or
- (a) publicly disclose why we have chosen not to comply.

**The engagement policy must describe how we:**

1. integrate shareholder engagement in our investment strategy;
2. monitor investee companies on relevant matters, including:
  - (a) strategy;
  - (a) financial and non-financial performance and risk;
  - (a) Capital structure; and
  - (a) social and environmental impact and corporate governance;
3. conduct dialogues with investee companies;
4. exercise voting rights and other rights attached to shares;
5. cooperate with other shareholders;
6. communicate with relevant stakeholders of the investee companies; and
7. manage actual and potential conflicts of interests in relation to our engagement.

On an annual basis, Saranac Partners must disclose a general description of voting behaviour, an explanation of the most significant votes and reporting 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. Saranac Partners has decided that, whilst it supports the aims of SRD II, it has chosen not to comply with the Directive at the present time because Saranac Partners does not take material positions in equity securities of listed issuers. As such, at this time, Saranac Partners does not maintain and will not publish, an engagement policy as required by the Directive. This policy will be kept under review.