

SARANAC

PARTNERS

SARANAC PARTNERS EUROPE, AGENCIA DE VALORES, S.A.

Shareholders Rights Directive II Disclosure

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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.

SRD II has been implemented in Spain by means of Law 5/2021, of 12 April (“Law 5/2021”), which modifies Spanish Securities Markets Act 4/2015, of 23 October, in its article 224 bis with regards to engagement policy (“SMA”)

Under article 224 bis of SMA, Saranac is required to:

- a. develop and publicly disclose an engagement policy that meets the requirements of article 224 bis of SMA; and
- b. publicly disclose on an annual basis how our engagement policy has been implemented in a way that meets the requirements of article 224 bis of SMA; or
- c. 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;
 - b. financial and non-financial performance and risk;
 - c. Capital structure; and
 - d. 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 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 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 does not take material positions in equity securities of listed issuers. As such, at this time, Saranac does not maintain and will not publish, an engagement policy as required by the Directive.

This policy will be kept under review.