



J. SAFRA SARASIN



Sustainable Swiss Private Banking since 1841

Engagement Policy

Bank J. Safra Sarasin Ltd, Guernsey Branch

September 2020

ENGAGEMENT POLICY

The Shareholder Rights Directive II (SRD II) is a European Union directive, which sets out to strengthen the position of shareholders and to ensure that decisions are made for the long-term stability of a company. SRD II also establishes requirements to encourage shareholder engagement, in particular for the long-term.

Please note that the management of your investment Portfolio and any associated functions under your Client Agreement, is delegated to Sarasin & Partners LLP (the “Sub-Advisor”) which is an Associated Company authorised and regulated in the UK by the Financial Conduct Authority.

Bank J. Safra Sarasin Limited, Guernsey Branch has adopted the Sub-Advisor’s engagement policy which sets out its engagement principles in respect of the companies in which it invests. The details are set out across multiple documents (links available below). The Sub-Advisor’s stewardship philosophy has, at its heart, an ownership mindset. A crucial element of this is active engagement with the companies in which the Sub-Advisor invests. Where the Sub-Advisor believes they can play a positive role to restore or secure a company’s prospects, they will seek to do so.

Ownership Discipline

This document sets out how the Sub-Advisor acts on a day-to-day basis as an owner on behalf of their clients. It includes defining responsibility for enacting their ownership discipline, early ownership actions the Sub-Advisor undertakes, ongoing monitoring, how the Sub-Advisor addresses problems, their escalation procedures, circumstances when the Sub-Advisor would stop engagement, and their sell discipline. The specific points of legislation covered are:

- How the Sub-Advisor integrates shareholder engagement into their investment strategy
- How the Sub-Advisor monitors investee companies on relevant matters, including strategy, financial and nonfinancial performance and risk, capital structure, social and environmental impact and corporate governance
- How the Sub-Advisor communicates with relevant stakeholders of investee companies
- How the Sub-Advisor conducts dialogue with their investee companies

Corporate Governance and Voting Guidelines

As an agent of their clients, the Sub-Advisor endeavours to vote on shareholder resolutions in accordance with the principles and guidelines outlined in this document. This document includes a link to voting guidelines on role, structure and operation of Boards, executive remuneration, accounts, audit and internal control, capital structure and shareholder rights, and environmental and social matters. The specific points of legislation covered are: How the Sub-Advisor exercises voting rights and other rights attached to shares. The Sub-Advisor’s voting guidelines relate to voting at a fund level in the Sub-Advisor’s own funds, however do not apply to single stock positions.

[Disclosure of commitment to the UK Financial Reporting Council's Stewardship Code](#)

This explains how the Sub-Advisor complies with the UK Stewardship Code on behalf of its clients, for all their holdings globally. It covers the Sub-Advisor's policy on discharging stewardship responsibilities, their policy on managing conflicts of interest in relation to stewardship, how they monitor investee companies, how and when they escalate stewardship activities, how they collaborate with other investors, their policy on voting and disclosure of voting activity, and how they report to clients on stewardship and voting activities. The specific points of legislation covered are:

- How the Sub-Advisor cooperates with other shareholders
- How the Sub-Advisor manages actual and potential conflicts of interests in relation to their engagement

[Links to our Sub-Advisor's website](#)

[Responsible stewardship](#)

[Ownership Discipline](#)

[Corporate Governance and Voting Guidelines](#)

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IMPORTANT INFORMATION

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Please note that the prices of shares and the income from them can fall as well as rise and you may not get back the amount originally invested. This can be as a result of market movements and also of variations in the exchange rates between currencies. Past performance is not a guide to future returns and may not be repeated.

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