

SETANTA

Asset Management

SRD II Annual Client Disclosure



SRD II Annual Client Disclosure 2021 - 2022

Annual Client Disclosure

The Shareholder Rights Directive 2017/828 (SRD II), amending Directive 2007/36 (SRD I) sets out to further strengthen shareholder positions and promote long-term shareholder engagement. The Directive also sets out certain transparency reporting obligations. SRD II was transposed into Irish law by the European Union (Shareholders' Rights) Regulations 2020 (S.I. No. 81 of 2020) on the 30th of March 2020.

Setanta Asset Management Limited ("Setanta") provides discretionary management services to its' clients and thus is considered an 'Asset Manager' under the regulation. Setanta provides the following disclosures to assist institutional investors evaluate how, as an asset manager for your portfolio, we act in your best interests.

How does Setanta's investment strategy and implementation thereof comply with the agreements entered into by Institutional Investors?

For all our clients, we have a fiduciary responsibility to help them achieve their long-term investment objectives. Their objectives are clear: maximise the investment return on their portfolios, over the long-term and within risk parameters. We integrate ESG factors into our investment approach, where possible, while meeting our fiduciary responsibility. For investors in UCITS Funds, Setanta makes available Fund prospectuses, KIIDS, annual reports and/or Fund factsheets through our [website](http://www.setanta-asset.com) (www.setanta-asset.com)

For segregated clients, we enter into bespoke arrangements with each client which are documented through the investment objectives and guidelines set out in the Investment Management Agreement (IMA). These objectives are articulated through these documents, and the periodic reporting we provide in the form of Fund factsheets and investment reports describes and shows performance against the objectives.

How does Setanta's strategy contribute to the medium to long-term performance of the institutional investor?

Setanta is an active asset manager who engages with

companies in which they invest to maximise the medium to long-term value for our clients. We exercise our voting rights and engage with companies in which we invest. We engage in detailed discussions with companies to understand their long-term objectives and challenges, and how ESG and other factors fit within their operating and decision-making frameworks. We are proactive in providing our thoughts to companies regarding their business strategies, governance and reporting.

We receive compensation for our investment management services, based on the market value of a client's account at specified time periods. We do not charge performance-related investment management fees. We are, therefore, incentivised to maximise the value of assets under management, which supports the alignment of interests with our institutional clients.

In general, our arrangements with clients do not have a defined duration, and so we are incentivised to maintain our client relationships over the longer term. We do so by delivering investment solutions that meet our clients' return-and-risk needs and are aligned with their objectives, whether they be longer term or shorter term in nature.

How does Setanta makes decisions on evaluating the medium to long-term performance of investee companies?

We incorporate ESG issues into our ownership practices where clients have delegated to us voting authority on securities that they own. We support proposals that are in the long-term economic interests of shareholders; ESG factors are a part of that consideration.

As our investment rationale is long-term, we are attracted to businesses that share this long-term perspective, and are careful stewards of their resources, both financial and otherwise.

For more information, please refer to our [Responsible Investment Policy](https://setanta-asset.com/responsible-investing/) <https://setanta-asset.com/responsible-investing/>

Portfolio Composition, Turnover and Turnover Costs

As a Setanta client your periodic reports will detail the composition of your portfolio.

Information of Portfolio Turnover and Turnover costs are not currently disclosed.

Shareholder Voting and Engagement

Setanta endeavours to vote on all security voting decisions and do not outsource the responsibility to proxy advisors. ProxyEdge, provided through Setanta's third-party vendor Broadridge, is an online solution which supports the management of meeting notifications, voting decision communication, reporting of the meetings taking place on our securities.

For more information, please refer to our [Engagement Policy](https://setanta-asset.com/shareholder-rights-directive/). <https://setanta-asset.com/shareholder-rights-directive/>

Setanta makes public, on an annual basis, its Proxy Voting records. These can be found [here](https://setanta-asset.com/shareholder-rights-directive/) at <https://setanta-asset.com/shareholder-rights-directive/>

Conflicts of Interest

Setanta is required to take all appropriate steps to identify, manage or prevent potential or actual conflicts of interest that arise in the course of providing its services. In all instances of actual or potential conflict of interest Setanta will abide by the principles of treating its clients fairly, and dealing honestly and professionally with all its stakeholders. All employees have an obligation to comply with the conflicts of interest policy, to avoid any conflict of interest and to act in the best interests of its clients.

Setanta has in place a Conflicts of Interest Policy. No known Conflicts of Interest have arisen over the period.

Securities Lending

Setanta does not engage in Securities Lending.

Contact Us

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IMPORTANT INFORMATION

Setanta Asset Management Limited ("Setanta"), Beresford Court, Beresford Place, Dublin 1, Ireland. Registered in Ireland Number 297730. Setanta is regulated by the Central Bank of Ireland and is registered as an Investment Adviser with the Securities and Exchange Commission (the "SEC") – CRD# 281781 / SEC# 801-107083. Setanta has been granted the International Adviser exemption from registration in Manitoba, Quebec, British Columbia, Alberta and Ontario.

WARNING: Past performance is not a reliable indicator of future results. The price of units and the income from them may go down as well as up and investors may not get back the amount invested. The return may increase or decrease as a result of currency fluctuations. Forecasts are not a reliable indicator of future performance.