

September 2020

Shareholder Engagement

Statement confirming IFSL's response to the requirements of SRD II and The Stewardship Code

Introduction

The Shareholder Rights Directive II (SRD II) aims to promote better shareholder engagement and improve transparency in the ownership of companies.

The UK Stewardship Code sets high stewardship standards for asset owners and asset managers, and for service providers that support them.

This document sets out our approach to stewardship and engagement. This document applies to Investment Fund Services Limited ('IFSL'), as Authorised Fund Manager (AFM) to a number of collective investment schemes ("Funds") which are authorised by the Financial Conduct Authority ("FCA").

This includes Undertakings for the Collective Investment in Transferable Securities ("UCITS"), which comply with the conditions of the UCITS Directive, and Non-UCITS Retail Schemes ("NURS") which constitute Alternative Investment Funds under the Alternative Investment Fund Managers Directive ("AIFMD").

Investment Fund Services Limited ('IFSL') is domiciled in the United Kingdom and authorised and regulated by the Financial Conduct Authority (FCA).

Investment management activities

Firms which carry out the investment management activities of investing and managing Funds' assets must have robust processes in place, to manage these assets in line with the Funds' investment objectives and policy. This includes being engaged with all Fund assets to ensure they continue to perform in line with expectations.

The business model of IFSL is such that all investment management activities are delegated to various authorised and regulated investment management firms, known as 'Delegates' in this document. As a result, IFSL doesn't carry out any investment management activities on behalf of the Funds we operate and hence has chosen not to conform to the requirements set out by SRD II and The Stewardship Code

Not all Delegates are in scope for SRD II or the Stewardship Code. Where Delegates are in scope, they are required to have their own processes and procedures in place to ensure compliance with the requirements or alternatively to provide an appropriate explanation as to why they have chosen not to comply.

Oversight of investment management activities

Although IFSL delegates the investment management activity for all its Funds to the Delegates, as AFM, we remain responsible for the activities carried out by the Delegates on behalf of our Funds.

Therefore, we have systems and controls in place to oversee IFSL's Funds and the investment managers we appoint. This includes procedures for monitoring Delegates' approach to stewardship and engagement.

Delegates' systems and controls

The following list of topics are the areas that IFSL expect to review when monitoring Delegates' compliance.

Voting

For Funds which invest in equities, voting at Annual and Extraordinary General Meetings (AGMs and EGMs) provides an opportunity for engagement with companies.

Voting decisions are made by Delegates in accordance with their individual determination of the significance of the shareholding within the fund. Where a significant shareholding exists within a fund, voting rights are exercised in an informed manner.

Delegates generally vote in support of company management but where appropriate, will vote against should they consider this to be in accordance with their stewardship responsibilities and the shared investment aims of investors.

Non-Voting Engagement with companies

Engagement is an opportunity for Delegates to develop their understanding of companies and to share their approach to investment with these companies to enhance their understanding of mutual objectives.

Typically, this is achieved through face-to-face meetings, telephone calls and emails, and collaboration with other industry bodies or shareholders.

Monitoring

Delegates carefully monitor chosen investments and potential investments. Companies are assessed on material issues including strategy, capital structure, financial and non-financial performance, and risk factors. Material issues are considered matters likely to affect the ability to create future value.

Managing conflicts

Conflicts of interest can and do arise. Where potential conflicts may occur or actually arise, Delegates act in the best interests of our Funds and investors, ahead of their own interests.

Reporting

In scope Delegates are responsible for producing and publishing their own engagement and voting policies and making an annual disclosure of compliance.

IFSL is not required to publish such an annual disclosure, as it has delegated all investment management activity. IFSL will, however, monitor compliance by all its Delegates.

A list of IFSL Funds can be found in the Appendix to this document, along with details of the Delegated Investment Manager.

Appendix

The following Funds are managed by our Delegates. We have provided their websites, where available, to help you find their engagement policy and annual disclosures.

Fund Name	Delegate	Website
IFSL Acumen Income Portfolio	Tavistock Wealth Limited	www.tavistockwealth.com
IFSL Acumen Portfolios 3, 4, 5, 6, 7 & 8		
IFSL AMR Diversified Portfolio	AMR Financial Management Ltd	www.amrinvest.co.uk
IFSL Avellemy: 3, 4, 5, 6, 7 & 8	Avellemy Limited	
IFSL Beaufort Multi Asset Blend Balanced	Beaufort Investment Management Limited	www.beaufortinvestment.co.uk
IFSL Beaufort Multi Asset Blend Growth		
IFSL Brooks Macdonald Defensive Income	Brooks Macdonald Asset Management Limited	www.brooksmacdonald.com
IFSL Brooks Macdonald Defensive Capital		
IFSL Brooks Macdonald Cautious Growth		
IFSL Brooks Macdonald Strategic Growth		
IFSL Brooks Macdonald Balanced Growth		
IFSL Equilibrium Cautious Portfolio	Equilibrium Investment Management LLP	www.eqllp.co.uk
IFSL Equilibrium Balanced Portfolio		
IFSL Equilibrium Adventurous Portfolio		
IFSL Equilibrium Global Equity Portfolio		
IFSL James Hambro Barnham Broom	James Hambro & Partners LLP	www.jameshambro.com
IFSL James Hambro Master		
IFSL James Hambro Penrhos		
IFSL James Hambro Harrier Capital Growth		
IFSL James Hambro Rires		
IFSL James Hambro Harrier Balanced		
IFSL James Hambro Harrier Adventurous		
IFSL James Hambro Harrier Cautious		
IFSL Marazin Cautious	Baggette Asset Management Limited	www.baggette-am.co.uk
IFSL Marazin Balanced		
IFSL Mazarin Adventurous		
IFSL Ravenscroft Huntress Balanced	Ravenscroft Investment Management Limited	www.ravenscroftgroup.com
IFSL Ravenscroft Huntress Global Blue Chip		

Fund Name	Delegate	Website		
IFSL Sanlam Defensive	Sanlam Private Investments (UK) Limited	www.sanlam.co.uk		
IFSL Sanlam Balanced				
IFSL Sanlam Cautious				
IFSL Sanlam Conservative				
IFSL Sanlam Growth				
IFSL Sanlam US Dividend				
IFSL CAF Alternative Strategies	Octopus Investments Limited	www.octopusinvestments.com		
IFSL CAF Fixed Interest				
IFSL CAF International Equity				
IFSL CAF UK Equity				
IFSL Sinfonia Adventurous Growth Portfolio	Tatton Investment Management Limited	www.tattoninvestments.com		
IFSL Sinfonia Balanced Managed Portfolio				
IFSL Sinfonia Cautious Managed Portfolio				
IFSL Sinfonia Income & Growth Portfolio				
IFSL Sinfonia Income Portfolio				
IFSL Tilney Bestinvest Global Defensive	Tilney Investment Management Services Limited	www.tilney.co.uk		
IFSL Tilney Bestinvest Global Income				
IFSL Tilney Bestinvest Global Income and Growth				
IFSL Tilney Bestinvest Global Growth				
IFSL Tilney Bestinvest Global Aggressive Growth				
IFSL Tilney Bestinvest Advanced Passive: Cautious				
IFSL Tilney Bestinvest Advanced Passive: Income				
IFSL Tilney Bestinvest Advanced Passive: Balanced				
IFSL Tilney Bestinvest Advanced Passive: Growth				
IFSL Tilney Bestinvest Advanced Passive: Aggressive Growth				
IFSL Trade Union Unit Trust			Aberdeen Asset Management Ltd	www.aberdeenstandard.com