

ALL WEATHER

INVESTING IN POSITIVE OUTCOMES



RESPONSIBLE INVESTING ENGAGEMENT POLICY



Principles of Engagement

AWC uses its rights and position of ownership to influence the activities or behaviour of companies we invest in on behalf of our clients. We do so via **engagement** with the company itself and other stakeholders where necessary, and via our **voting activities**. On occasion and with senior management oversight, AWC undertakes **advocacy** with the aim to influence broader issues, to promote ESG opportunities or highlight ESG risks.

Active ownership

• Engagement

The investment team engages directly with company management and, on occasion, the chairman of the Board. We believe this provides invaluable insights of how the company leaders perceive and addresses risks. It further provides a forum for the company to answer specific questions, and for us to raise any areas of concerns, particularly in cases where we differ from the company's course of action

- The focus of engagement may be on specific resolutions, specific ESG issues, engagement on broader ESG themes or on building ongoing relationships.
- Engagement priorities and approach depend on a variety of factors which may include our ability to influence, the nature of the issue, geographic location of the company, and the weight in our portfolio.
- Our engagement mechanism is typically one-on-one meetings, written correspondence or telephonically
- Should contentious issues arise, AWC will seek input from external stakeholders (such as sector regulators) to make an informed decision

• Proxy voting

Voting at AGMs provides us with the opportunity to exercise shareholder rights (according to our fiduciary duties) and to influence and encourage best practice and sustainable business practices in companies we invest in.

- AWC has internal benchmarks that guide our approach to proxy voting to ensure consistent application across all companies. On occasion, AWC may take an active approach on voting on specific themes, such as carbon emissions – this with oversight from oversight senior management.
- While our own research (conducted by our fundamental and ESG analysts) is an integral part of the framework's input, we also draw on external research (Brokers, external ESG platforms and public information)
- It is our policy to vote all shares, and on all resolutions. We use a third-party service to process proxy voting instructions electronically.



- We will, on occasion, inform companies of resolutions we will do not approve of, this to provide reasons for our voting activity and encourage change.
- A record of all proxies is kept
- Conflicts of interest - AWC applies with regulation and guidelines relating to potential and/perceived conflicts. internal processes ensure that these are well managed, with oversight from the senior managers.

• Advocacy

Companies should act in the best interest of their owners but must also have due regard for other stakeholders in order to have sustainable business models. On occasion and with senior management oversight, AWC undertakes advocacy with the aim to influence broader issues, to promote ESG opportunities or highlight ESG risks. This can take the form of Banks lending policy, or shareholder or minority rights.

Monitoring and Disclosures

The key reason for monitoring companies on ESG performance is to factor its analysis how the company is progressing on its promise to improve on its ESG journey and whether or not relevant disclosure is being improved on. Thus, there is ongoing monitoring and evaluation of ESG flags identified in our process. We follow up with management to measure progress on these issues

Reporting

AWC keeps a record of all engagements with investee companies as well as a record of all proxy votes. While AWC does not disclose specific company votes or individual engagement publicly, we publish on a quarterly basis, our aggregate voting activity on our website. We also provide a record of our company engagement, together with the reason for the engagements and outcomes thereof, to clients on request.

AWC participates the UNPRI annual report back and provide information specific to company engagements. AWC's assessment report is disclosed on our website.

These records are available [on website](#)

Internal Governance Processes

Application


Application of the Policy

- The Engagement Policy (RIP) applies to all AWC's investment professionals who have contact investee companies in the course of carrying out their duties. We the apply the policy across all the funds we invest across. We further are cognizant of any mandate specific requests around ESG, and accommodate, where possible, as per client requests.

Accountability

Accountability for RI at AWC

- The CIO and Head of Research have oversight over AWC's engagement activities.
- The Head of research is responsible for driving ESG integration by investment professionals,

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- The investment professionals are primarily responsible for implementing the outcomes of our ESG analysis into the stock's valuations and various portfolios.
 - A dedicated ESG analyst is responsible for the day to day implementation of the Responsible Investing and ESG process, including voting, engagement with investee companies and record keeping
 - Should the need to escalate issues with the Board arise, the responsible analyst will get the approval from the Head of Research and/or CIO, and a best course of action will be discussed and implemented.
 - Note, either the CIO or Head of Research will be present in meetings on specific escalation issues.

Incentives and Training

Incentivisation and Training

- We include contact with company management/Boards as part of the investment team's performance criteria.
- The senior investment team provides mentorship to the analysts in terms of how to conduct engagement with companies with regards to proxies and/or other specific reasons, this in the form of how to approach company, and preparation of questions.



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