

The Shareholder Rights Directive

The Shareholder Rights Directive II (“SRD II”)

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.

Under FCA COBS 2.2.B.5R, we are required to: a) develop and publicly disclose an engagement policy that meets the requirements of COBS 2.2B.6R; and b) publicly disclose on an annual basis how our engagement policy has been implemented in a way that meets the requirements of COBS 2.2B.7R; 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, we 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.

Halo Global Asset Management Ltd 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 the Firm does not take material positions in equity securities of listed issuers.

As such, the Firm at this time does not maintain and will not publish, an engagement policy as required by the Directive.

This policy will be kept under review.

Updated on 16th October 2019

<https://www.handbook.fca.org.uk/handbook/COBS/2/2B.html>