

Shareholder Rights Directive II (SRD II) Engagement Policy

Introduction

Quality Capital Management Limited's ("QCM" or the "firm") has long supported the UK's Stewardship Code which aims to provide transparency in terms of how investment managers engaged when they invest in any shares traded on a regulated market.

The firm have now also adopted the requirements of the Shareholder Rights Directive II (SRD II) which adds further disclosure requirements in order to ensure effective stewardship and long-term investment decision-making through the enhancement of the transparency of shareholder engagement policies and investment strategies.

This Engagement Policy sets out how QCM will approach the stewardship of any shares traded on a regulated market, including certain markets situated outside the European Economic Area (EEA).

Disclosures

Pursuant to the SRD II requirements QCM has considered the following:

- i. How shareholder engagement is integrated into its investment strategies
- ii. Exercises voting rights and other rights attached to shares.
- iii. Cooperates with other shareholders.
- iv. Conducts dialogue with investee companies.
- v. Communicates with other stakeholders of the investee companies.

In relation to the above QCM's investment management services do not involve the holding of any instruments which carry any voting rights on AGMs, EGMs or the ability to put forward resolutions and corporate actions.

Therefore, normally QCM will not generally exercise voting rights or co-operate with shareholders.

- vi. Monitors Investee firms.

QCM does not invest in listed equities on behalf of its clients.

- vii. Manages actual and potential conflicts of interest in relation to the firm's engagement activities.

QCM's whole investment strategy policy is driven by achieving the best interest of its clients and therefore will always seek to minimise and mitigate conflicts of interest wherever possible. QCM's Conflicts of Interest Policy is available on request.

Annual Disclosures

QCM continuously monitor if Shareholder Rights Directive II becomes applicable to its activities. If it does become applicable QCM will make annual disclosures available detailing regarding how it has voted in the general meetings of companies in which it holds shares unless such votes are considered insignificant due to either the subject matter of the vote, or the size of the holding in the company. QCM will also disclose if it has used a proxy service.