

Veritas Investment Partners (UK) Limited Engagement Policy – Shareholder Rights Directive II Disclosure

The Shareholder Rights Directive II (SRD II) is a European Union directive, which aims to strengthen the position of shareholders and to ensure that decisions are made for the long-term stability of a company. SRD II also seeks to increase the level and quality of engagement of asset managers with investee companies, and to encourage engagement for the long term.

Our stewardship activities are an integral part of our approach to sustainable investment. When we buy shares in companies, we become business owners and it is therefore our responsibility to engage and vote on issues that will impact the long-term durability of a business.

SRD II requires us to make a number of disclosures about our stewardship activities. The details of our engagement and voting activities are set out across multiple documents as explained below and relevant links are included.

Stewardship and Engagement policy

This sets out our overall approach to the ownership activities we carry out on behalf of our clients. In relation to SRD II, our Stewardship and Engagement Policy includes details of how we:

- Integrate our stewardship activities into our investment process;
- Monitor investee companies on relevant matters, including setting strategic objectives, managing risk effectively, capital structure and capital allocation, corporate governance including strong corporate cultures, and transparent communication;
- Conduct dialogue with our investee companies and monitor the progress of our engagements; and,
- Communicate with relevant stakeholders.

Voting policy

We regard shareholder voting as an important means of communicating with companies. In relation to SRD II, our Voting Policy covers:

- How we exercise voting and any other shareholder rights;
- The extent to which we use the services of proxy advisers in our voting process; and,
- Our voting guidelines on board structure, remuneration, voting rights, auditors and capital allocation.

Disclosure of our commitment to the UK Stewardship Code

This explains how we comply with the Financial Reporting Council's Stewardship Code on behalf of our clients and covers a number of issues, including our overall approach to discharging our stewardship responsibilities and how we report to clients on our engagement and voting activities. In relation to SRD II, this document sets out how we:

- Manage potential or actual conflicts of interests in our engagement activities; and,
- Collaborate with other shareholders.

Reporting

SRD II also requires us to report annually on how we have implemented our engagement and voting policies, including a general description of our voting behaviour, our use of proxy advisers, an overview of votes cast, and an explanation of the most significant votes. Our engagement and voting activities are set out in our annual Stewardship Report which can be found [here](#)

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