

September 2020

# Shareholder Engagement

## Introduction

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

This document sets out our approach to shareholder engagement. This document applies to IFSL International Limited ('IFSL International'), as fund manager to the IFSL ICAV ('the ICAV') which is registered as an umbrella Irish collective asset-management vehicle with segregated liability between Funds pursuant to Part 2, Chapter 1 of the ICAV Act on 6th November 2018 and is authorised by the Central Bank of Ireland, pursuant to the Regulations.

IFSL International is domiciled in Ireland and authorised and regulated by the Central Bank of Ireland ('CBI').

This Engagement Policy provides an overview on how IFSL International carries out our responsibilities as an AFM to ensure compliance with these rules.

## Investment management activities

Firms which carry out the activities of investing and managing Funds' assets must have robust processes in place, to manage the 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 International is such that all investment management activities on behalf of the ICAV are delegated to an authorised and regulated investment management firm.

Not all investment management firms are in scope for SRD II. Where they are in scope, they are required to have their own processes and procedures in place to ensure compliance with SRD II or provide an appropriate explanation as to why they have chosen not to comply.

Our firm has delegated investment management activity for the ICAV to Marlborough Investment Management Limited, a firm authorised and regulated in the UK by the Financial Conduct Authority (FCA) and known as 'the Delegate' in this Policy. See Appendix for more detail.

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## Oversight of investment management activities

Although IFSL International delegates the investment management activity for the ICAV to the Delegate, we remain responsible for the activities carried out by the Delegate on behalf of the ICAV.

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

## Delegates' systems and controls

The ICAV contains a range of sub funds that invest in other collective investments. i.e. the sub funds are considered Funds of Funds (FoFs) that do not invest directly in the equity or shares of companies. Therefore, while this remains the case, it is not expected that the Delegate would engage with individual companies on behalf of the ICAV either through voting decisions or other non-voting mechanisms.

The following list of topics are the areas IFSL International expects to review when monitoring the Delegate's compliance. Depending on the nature of the underlying investment, these items may or may not be pertinent to the activities of the Delegate.

### Voting

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

Voting decisions are made where significant voting rights are exercised in an informed manner to help promote companies' and stakeholders' aims for responsible investment returns.

The Delegate will vote in support of company management, when appropriate, and vote against when it considers it is not in keeping with its stewardship responsibilities and the shared investment aims of investors. The voting approach includes proxy voting and the use of independent research.

### Non-Voting Engagement with companies

Where investing in equities, engagement is an opportunity for the Delegate to develop its understanding of companies and to share its 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 in collaboration with other industry bodies or shareholders.

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## Monitoring

The Delegate carefully monitors chosen investments and potential investments. Equities or other asset classes 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, the Delegate must act in the best interests of the ICAV and investors, ahead of its own interests.

## Reporting

The Delegate is responsible for producing and publishing its own engagement and voting policy and making an annual disclosure of compliance, where applicable, or alternatively to provide an explanation as to why the SRD II rules doesn't apply to it. IFSL International is not required to publish such an annual disclosure, as it has delegated all investment management activity. IFSL international will, however, monitor compliance by the Delegate.

## Appendix

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

Fund Name	Delegate	Website
IFSL ICAV open-ended collective umbrella Irish-collective assessment management vehicle with segregated liability between the following funds:  Marlborough Defensive Fund Marlborough Cautious Fund Marlborough Balanced Fund Marlborough Adventurous Fund	Marlborough Investment Management Limited	<a href="http://www.marlboroughinvests.com">www.marlboroughinvests.com</a>