



STEWARDSHIP POLICY

The UK Stewardship Code (“the Code”), published by the Financial Reporting Council, sets out principles of engagement for institutional investors in relation to the companies in which they invest. The FCA’s regulations oblige any firm which manages investments for institutional clients to disclose the nature of their commitment to the Code. Where firms do not commit to adhere to the Code, they must provide an outline of their alternative approach to this.

Vermeer Partners is a discretionary investment manager, and clients entrust us with making investment decisions on their behalf including exercising voting rights where appropriate. Issues that we may vote on include but are not restricted to: Shareholder Rights and Capital Structure (such as the issuance of new shares); Remuneration (executive pay structure should be appropriate, aligned with specific goals and strategy and linked to long-term value creation); and Board Composition (e.g. issues surrounding independence, diversity and accountability).

However, as a boutique firm, the size of the average holding in our investee companies tends to be relatively small. As such, active engagement with many of our larger investments tends to be limited and would not have any meaningful impact on the decision making of those companies. Where we are sizeable investors in smaller companies and/or investment trusts and funds (an area in which Vermeer Partners is an active investor) we actively engage with management teams and boards, including exercising voting rights.

Should specific clients instruct us to vote on behalf of their shareholdings then we would always act on such an instruction. We do not engage in stock lending, allowing us to vote for all shares held on behalf of our clients.

August 2024