

# Link Fund Manager Solutions (Ireland) Limited – (“LFMSI”) – Shareholders Rights Policy

## Compliance Policy and Procedures

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## PROPRIETARY INFORMATION

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# 1. Regulations

LFMSI acts as a Management Company to Collective Investment Schemes (“CIS”) or Funds, established under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. 352 of 2011) (the “UCITS Regulations”), as amended and also acts as Manager to Funds established under the European Union (Alternative Investment Fund Managers) Regulations 2013. (S.I. 257 of 2013) (the “AIFM Regulations”), as amended.

Where this policy refers to a CIS, this shall include Undertakings for Collective Investment in Transferable Securities (“UCITS”) and Alternative Investment Funds (“AIFs”) to which LFMSI acts as Manager.

## Shareholders’ Rights Regulations

This policy was created in order to comply with European Union (Shareholders’ Rights) Regulations 2020. (S.I. 81 of 2020) (The “Shareholders’ Rights Regulations”).

The Shareholders’ Rights Regulations require that an asset manager must develop, publicly disclose and include the following in its Shareholder Rights Policy as to how it:

- a) integrates shareholder engagement in its investment strategy;
- b) monitors investee companies on relevant matters:
  - Strategy
  - Financial and non-financial performance and risk
  - Capital structure and
  - Social and environmental impact and Corporate governance
- c) conducts dialogue with companies it invests in;
- d) exercises voting rights and other rights attached to shares;
- e) cooperates with other shareholders;
- f) communicates with relevant stakeholders of companies it invests in; and
- g) manages actual and potential conflicts of interest in relation to its engagement.

Asset managers should also publicly disclose (for free on their website) how they have implemented any engagement policy (and include a general description of voting behaviour) along with:

- a) an explanation of the most significant shareholder votes (this will be a subset of the votes deemed significant);
- b) how they use the services of proxy advisors; and
- c) how it has cast its vote in the general meetings of companies in which it holds shares (unless they are considered insignificant due to the subject matter of the vote or size of the holding in the company).

## Cross Border Fund Distribution Regulation

This Policy also provides investors and prospective investors with a summary of information relating to their rights as an investor in a CIS, as required by REGULATION (EU) 2019/1156 of the European Parliament and Council on facilitating cross-border distribution of collective investment undertakings. (The “Cross Border Fund Distribution” Regulation).

This Shareholders Rights Policy is subject to review at least annually by the Board of LFMSI.

## 2. Policy Statement

The Shareholders' Rights Regulations states that a Relevant Asset Manager is one who invests in shares that are traded on regulated markets based in the European Union.

For each CIS managed by LFMSI that invests in such shares as set out in the Shareholders' Rights Regulations, the function of investment management has been delegated. Therefore, the 'Investment Manager' is the relevant asset manager and must have an appropriate Shareholder Rights policy in place.

LFMSI expects all its Investment Manager delegates to either adhere to the requirements set out above or explain why it has chosen not to. LFMSI acknowledges that, in delegating the investment management activity, it retains an obligation to oversee its Investment Manager delegates. During its due diligence process of the Investment Manager delegates, LFMSI reviews the policies of the Investment Manager which determine that the relevant measures and procedures have been implemented. A copy of such Shareholder Rights Policy / Statement shall be made available to investors by the Investment Manager delegate.

The Cross-Border Fund Distribution Regulation states that investors and potential investors in a CIS may be provided with a summary of investor rights. Such rights may include:

### **Entitlement to subscribe and redeem your interest in the CIS**

Shareholders in the CIS are entitled to purchase and redeem a shareholding within the timeframe and subject to such conditions as detailed in the prospectus of the CIS.

### **Entitlement to receive certain information relating to your investment in the CIS**

As a Shareholder in the CIS, a copy of the latest annual and, where applicable, semi-annual financial statements of the CIS will be available to you as detailed in prospectus. The latest Net Asset Value per Share is also available as detailed in the prospectus.

Should you require any further information relating to the terms of your investment, please refer to the prospectus, the Memorandum and Articles of Association of the CIS and share application form relating to your investment in the CIS.

Copies of the prospectus, the latest annual reports and any subsequent half-yearly reports and the supplement for the CIS may be obtained free of charge from:

Link Fund Manager Solutions (Ireland) Limited  
Floor, 2 Grand Canal Square  
Grand Canal Harbour  
Dublin 2  
D02 A342  
Ireland  
Email: [LFMSI\\_Oversight@linkgroup.ie](mailto:LFMSI_Oversight@linkgroup.ie)  
Phone: +353 1 400 5300

### **Voting Rights**

The UCITS and AIFM Regulations set out that LFMSI must develop adequate and effective strategies for determining when and how the voting rights attached to instruments held in the managed portfolios are to be exercised to the exclusive benefit of the CIS concerned.

LFMSI has delegated the exercising of any voting rights attaching to assets of any of the CIS it manages to its Investment Manager delegates who will exercise all such voting rights for the exclusive benefit of the shareholders in the CIS. LFMSI will, as part of its oversight of its delegates,

ensure the Investment Manager delegate has an appropriate policy in place for the exercise of voting rights.

LFMSI has ensured that each Investment Manager delegate appointed by it has developed adequate and effective strategies for determining when and how voting rights attached to instruments held in the portfolio are to be exercised to the exclusive benefit of the CIS concerned.

A summary description of the strategies and policies referred to above shall be made available to investors of the relevant CIS, if required. Details of the actions taken on the basis of those strategies shall be made available to the investors free of charge and on their request.

### **Entitlement to make a complaint**

As a Shareholder in a CIS, you are entitled to make a complaint free of charge. Any such complaint will be handled by the appointed management company, LFMSI, promptly and effectively.

LFMSI has a complaints handling policy in place, which is available to investors free of charge by contacting:

Link Fund Manager Solutions (Ireland) Limited  
Floor, 2 Grand Canal Square  
Grand Canal Harbour  
Dublin 2  
D02 A342  
Ireland  
Email: [LFMSI\\_Oversight@linkgroup.ie](mailto:LFMSI_Oversight@linkgroup.ie)  
Phone: +353 1 400 5300

You also have the right to refer the relevant complaint to the Financial Services and Pensions Ombudsman<sup>1</sup> after following the CIS complaints process if you are still not satisfied with the response received.

### **Investor rights against the CIS and service providers of the CIS**

As a Shareholder in a CIS, you have a right of action against the CIS for any breach of contract.

Shareholders in a CIS do not have any direct contractual rights against any service provider appointed in respect of the CIS because of the absence of a direct contractual relationship between the Shareholder and the relevant service provider. Instead, the proper plaintiff in an action in respect of which a wrongdoing is alleged to have been committed against the CIS or its management company by the relevant service provider is typically the CIS or its management company as applicable.

Notwithstanding the foregoing, a Shareholder has a regulatory right of action to pursue the Depositary appointed by the CIS in respect (i) any loss of an asset held in the custody of the Depositary or any delegate of the Depositary or (ii) of any other losses caused by the Depositary's negligent or intentional failure to properly fulfil its obligations under applicable regulations provided that this does not lead to a duplication of redress or to unequal treatment of Shareholders in the CIS.

### **Representative actions**

Investor compensation schemes provide retail investors with a level of protection should an investment firm cannot meet its obligations to investors. Only those who are classified as retail investors are protected by such schemes. Institutions and non-retail clients do not receive protection from these schemes.

<sup>1</sup>[Financial Services and Pensions Ombudsman of Ireland \(www.fsppo.ie\)](http://www.fsppo.ie)

Currently under Irish court rules, there is no formal representative action procedure in place which facilitates collective redress by retail investors in respect of infringements of EU or national law. This means that any action brought in an Irish court relating to an infringement of Irish or EU laws governing CIS and their managers must currently be litigated on an individual basis.

A collective redress mechanism, as required under Directive (EU) 2020/1828, must be implemented in Ireland by 25 June 2023.

Investors should note that not all of the protections provided for under their relevant regulatory regime may apply and there may be no right to compensation under such regulatory regime, if such scheme exists.

## Version Control

	Date	Status	Reason(s) for Change	Author
1.0	April 2020	Final	New Policy (EU (Shareholder Rights Regulations) 2020)	Link Fund Manager Solutions (Ireland) Limited
2.0	July 2021	Final	Annual review and update Provision of information relating to investor rights information as required by cross border fund distribution legislation	Link Fund Manager Solutions (Ireland) Limited