

RIVER AND MERCANTILE

VOTING & COMPANY ENGAGEMENT REPORT

Quarter 4

1st October – 31st December 2021

Introduction

River and Mercantile Asset Management LLP (RAMAM) is UK based, long-only active equities manager specialising in the management of Global, European and UK equity portfolios on behalf of institutional clients.

As an active equity manager, we believe that we are not only the stewards of the assets entrusted to us by our clients, but that we also have a fiduciary responsibility to improve the management of companies for all stakeholders, whilst not compromising our objective of achieving strong financial returns. We further believe the best process for improving the management of companies is through engagement and investor peer group pressure. Where we are amongst the largest shareholders in a company, we can exert more influence through engagement with the company's management, otherwise voting at annual and extraordinary general meetings is our most effective way of encouraging change.

We regard voting at company general meetings as an important aspect in improving the stewardship of a company in the interests of all stakeholders. We view voting as a core underpin of engagement and it is a keyway we act as an active owner. The fundamental principles of our voting policy are included in the River and Mercantile Asset Management LLP Corporate Governance Voting & Engagement Policy, available on our website.

We use a third party, Institutional Shareholder Services (ISS), to implement our voting policy, overriding their recommended action when it differs from our view on the standards for good corporate governance and management of environmental and social issues.

In this Report we outline our voting and engagement activity during Quarter 4 2021 across all equity strategies. The information contained covers all company meetings, including annual general meetings and extraordinary general meetings that we voted at globally and those companies which we engaged with on topics related to governance, environmental or social issues. The voting activity summary on page 3 covers the respective sub-funds of the ES River & Mercantile ICVC Funds managed by RAMAM. This is also representative of how we voted on behalf of our segregated clients that follow the same UK and Global equity strategies.

VOTING ACTIVITY Q4 2021

Total number of meetings voted – 148

Agenda items where voted against management recommendations – 13%

Percentage of votes cast differently to ISS recommendation – 10%

Number of meetings with at least one vote against management recommendation – 42%

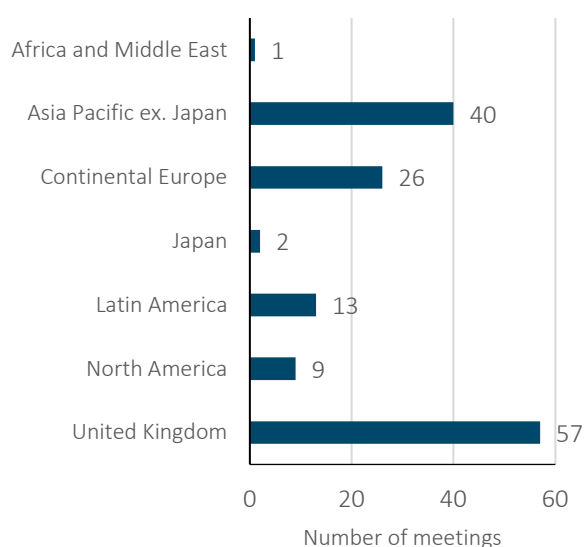
ENGAGEMENT ACTIVITY Q4 2021

Total number of interactions (through emails, letters, telephone calls and meetings) – 27

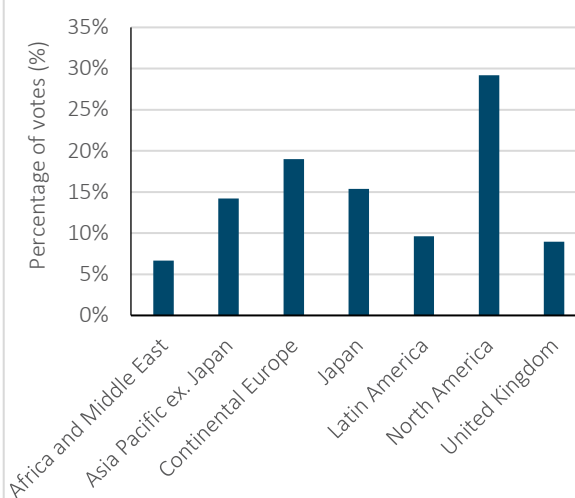
Q4 2021 VOTING SUMMARY

In Quarter 4 2021 we voted at 148 company general meetings, voting against management recommendations on 13% of the resolutions, with at least one vote not supporting management recommendations at 42% of the meetings. We voted on 25 shareholder resolutions, 56% of votes were against management recommendations. The graphs below illustrate where such votes were exercised by region and resolution category, as well details of votes against management recommendations by our fund managers. Full details of our votes can be found [here](#).

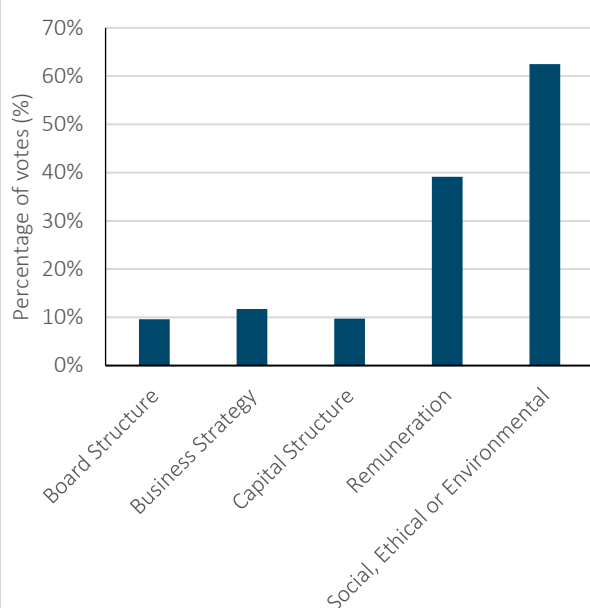
Meetings voted (by region)



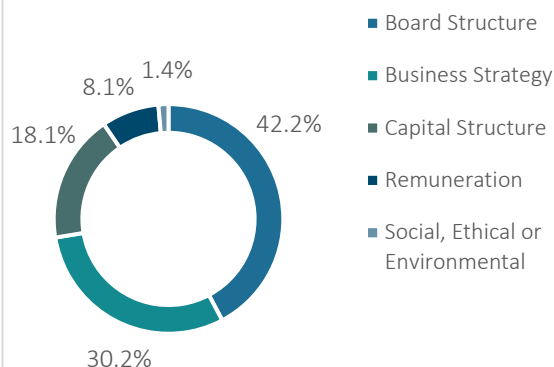
Eligible votes exercised that were against management (by region)



Eligible votes exercised that were against management (by resolution category)



Eligible votes exercised by resolution category



RIVER & MERCANTILE FUNDS VOTING ACTIVITY Q4 2021

UK Equity Funds

VOTING – UK Dynamic

- Total number of meetings* voted – 9
- Agenda items where voted against management – 4.0%
- Percentage of votes cast differently to ISS recommendation – 0%

VOTING – UK High Alpha

- Total number of meetings* voted – 35
- Agenda items where voted against management – 11.4%
- Percentage of votes cast differently to ISS recommendation – 8.6%

VOTING – UK Income

- Total number of meetings* voted – 11
- Agenda items where voted against management – 2.7%
- Percentage of votes cast differently to ISS recommendation – 6.9%

VOTING – UK Recovery

- Total number of meetings* voted – 43
- Agenda items where voted against management – 11.1%
- Percentage of votes cast differently to ISS recommendation – 9.8%

VOTING – UK Smaller Companies

- Total number of meetings* voted – 15
- Agenda items where voted against management – 2.7%
- Percentage of votes cast differently to ISS recommendation – 8.0%

European Equity Fund

VOTING – European Fund

- Total number of meetings* voted – 5
- Agenda items where voted against management – 0%
- Percentage of votes cast differently to ISS recommendation – 0%

Global Equity Funds

VOTING – Global High Alpha Fund

- Total number of meetings* voted – 19
- Agenda items where voted against management – 27.9%
- Percentage of votes cast differently to ISS recommendation – 15.8%

VOTING – Global Recovery Fund

- Total number of meetings* voted – 50
- Agenda items where voted against management – 21.7%
- Percentage of votes cast differently to ISS recommendation – 10.4%

River and Mercantile UK Micro-Cap Investment Company Limited

VOTING – UK Micro-Cap

- Total number of meetings* voted – 9
- Agenda items where voted against management – 6.0%
- Percentage of votes cast differently to ISS recommendation – 15.5%

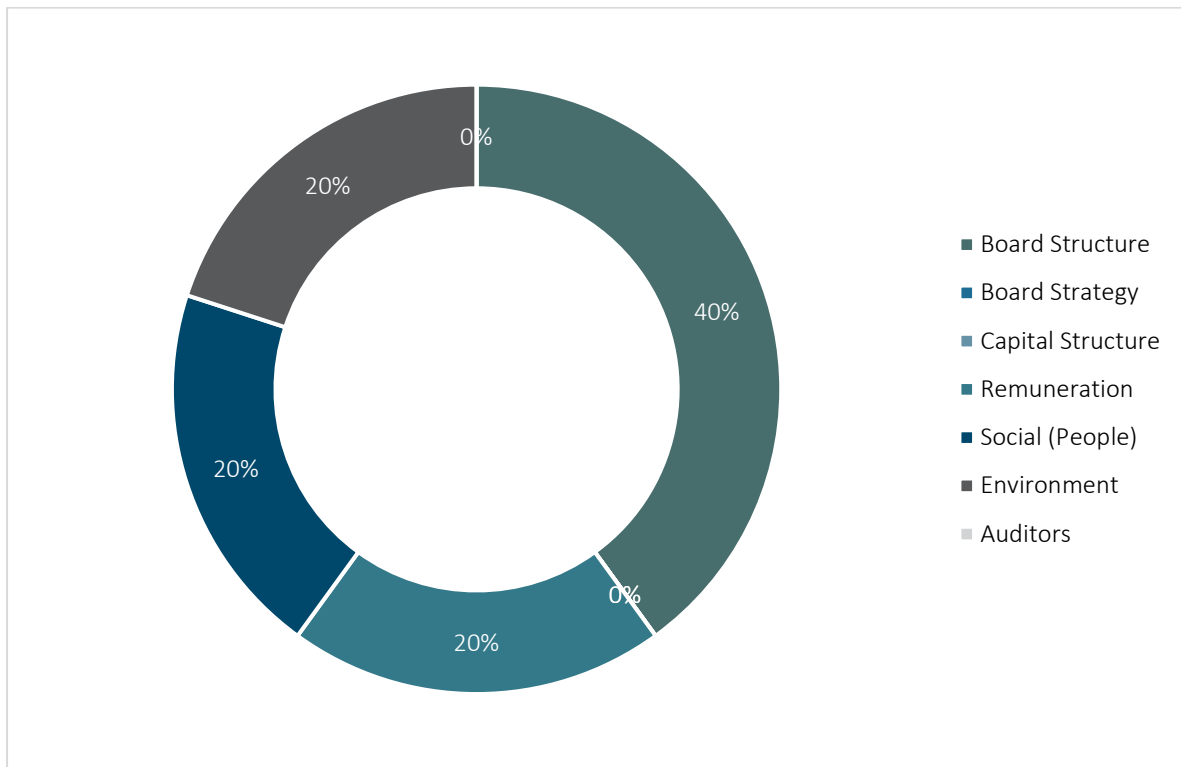
**Annual and Special (Extraordinary) General meetings
Source: Institutional Shareholder Services*

ENGAGEMENT ACTIVITY Q4 2021

Our engagement with companies focuses on developing and testing our investment case for buying or holding a stock and improving an understanding of the business and strategy. Separately, we hold meetings or calls with a board chairperson, and/or non-executive directors to discuss stewardship matters. During Quarter 4 2021, we engaged with the following **27** companies on stewardship related issues.

| <u>COMPANY</u> | <u>COUNTRY</u> |
|-------------------------------|----------------|
| AdEPT | United Kingdom |
| AGCO | USA |
| Bank of Kyoto | Japan |
| Biffa plc | United Kingdom |
| Charles Schwab | USA |
| eEnergy x2 | United Kingdom |
| Imperial Brands | United Kingdom |
| Japan Post Holdings | Japan |
| JTC | United Kingdom |
| LG Chem | South Korea |
| Litigation Capital Management | United Kingdom |
| Lloyds Banking Group x2 | United Kingdom |
| Meitec Corp | Japan |
| MindGym | United Kingdom |
| Owens Corning | USA |
| Prosus | Netherlands |
| Revolutions Bars Group | United Kingdom |
| Royal Dutch Shell | United Kingdom |
| RWS Holdings | United Kingdom |
| Serabi Gold | United Kingdom |
| Shanta Gold | United Kingdom |
| Solocal | France |
| ULS Technology | United Kingdom |
| Vicat | France |
| Whitbread | United Kingdom |

ISSUES DISCUSSED BY CATEGORY*



**Note: More than one issue may have been discussed with a company*

Source: Institutional Shareholder Services