



RIVER AND MERCANTILE

VOTING & COMPANY ENGAGEMENT REPORT

2022 Quarter 1

CONTENTS

Introduction	3
Summary	4
Voting Activity	5
Fund Voting Activity.....	6
UK Equity Funds.....	6
European Equity Fund.....	6
Global Equity Funds.....	7
River and Mercantile UK Micro-Cap Investment Company Limited	7
PVT Engagement Activity.....	8
Collaborative Engagement Activity	11

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 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 & 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.

Engagements are two-way conversations addressing a sustainability, environmental, social, governance or innovation topic. The purpose of engagement is to change behaviour and incentivise management to deliver sustainability. We believe by engaging with companies where we identify issues that could be at risk to the investors' long-term interest and potential for improvement, that this is the best process to improve management attitudes and ensuring positive behaviour within the companies in which we invest, rather than any form of screening or exclusion. We have four main goals that we aim to achieve through our engagements; 1) Disclosure of ESG metrics; 2) Inclusion of ESG KPIs in executive remuneration; 3) Companies to set Net Zero targets; 4) Increase female representation in senior management, although we address many other material topics during our engagements.

In addition to our PVT engagement activity, River and Mercantile Group are involved with a number of collaborative engagement initiatives which is led by our Group Head of ESG. **Collaborative engagements, in which a group of investors come together to engage in dialogue with companies on ESG issues, can help effectively communicate concerns to companies by speaking in a unified voice and develop a clear plan for addressing these and we believe this enhances our impact on the companies we invest in.** Some of the bodies that we collaborate with include **Climate Action 100+** through the Institutional investors Group on Climate Change (IIGCC) and the UN Principle for Responsible Investment (UNPRI), **Sustainalytics Global Standards Engagement, ShareAction and FAIRR initiative.**

In this Voting and Engagement Report we outline our voting and engagement activity during Quarter 1 2022 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, European and Global equity strategies.

SUMMARY

Voting Activity 2022 Q1

Total number of meetings voted – **153**

Agenda items where voted against management recommendations – **16%**

Percentage of votes cast differently to ISS recommendation – **11%**

Number of meetings with at least one vote against management recommendation – **71%**

Engagement Activity 2022 Q1

PVT Engagements – **47**

Collaborative Engagements – **8**

Total Engagements - **55**

VOTING ACTIVITY

In Quarter 1 2022 we voted at **153** company general meetings, voting against management recommendations on **16%** of the resolutions, with at least one vote not supporting management recommendations at **71%** of the meetings. We voted on **29** shareholder resolutions, **62%** 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](#).

Figure 1 - Meetings Voted (by Region)

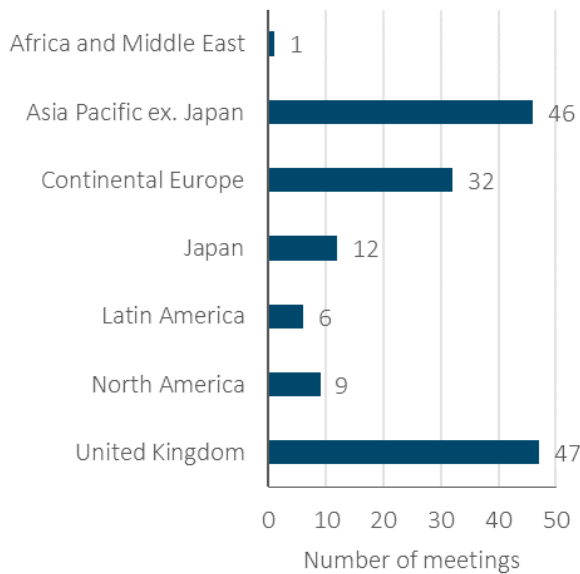


Figure 3 - Eligible Votes Exercised that were AGAINST Management (by Region)

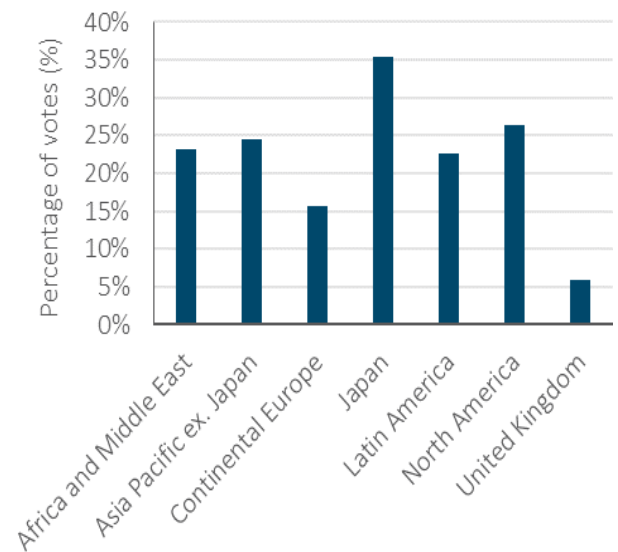


Figure 2 - Eligible Votes Exercised that were AGAINST management (by Resolution Category)

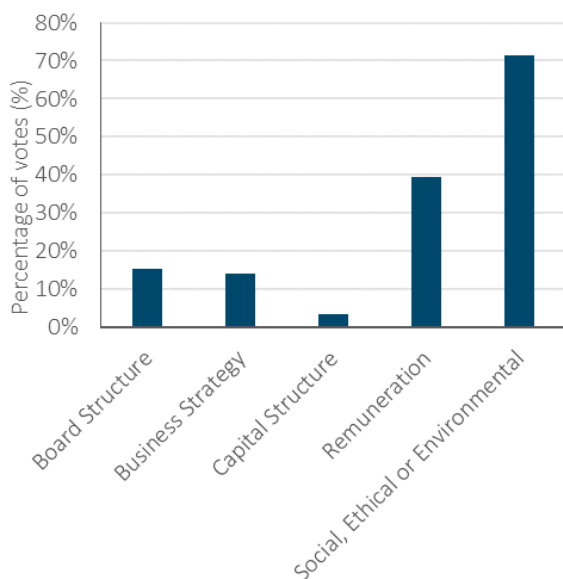
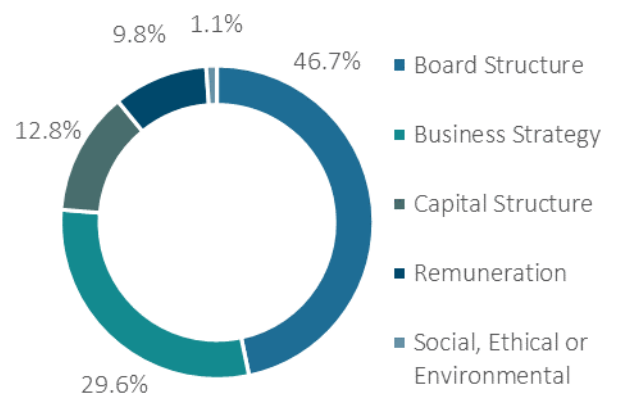


Figure 4 - Eligible Votes Exercised by Resolution Category



Source: River and Mercantile, ISS

FUND VOTING ACTIVITY

Below is a summary of our voting activity in 2022 Q1 by fund.

UK Equity Funds

UK Dynamic

Total number of meetings* voted – **5**

Agenda items where voted against management – **0%**

Percentage of votes cast differently to ISS recommendation – **1%**

UK High Alpha

Total number of meetings* voted – **31**

Agenda items where voted against management – **6%**

Percentage of votes cast differently to ISS recommendation – **4%**

UK Income

Total number of meetings* voted – **6**

Agenda items where voted against management – **6%**

Percentage of votes cast differently to ISS recommendation – **7%**

UK Recovery

Total number of meetings* voted – **46**

Agenda items where voted against management – **9%**

Percentage of votes cast differently to ISS recommendation – **6%**

UK Smaller Companies

Total number of meetings* voted – **12**

Agenda items where voted against management – **2%**

Percentage of votes cast differently to ISS recommendation – **6%**

European Equity Fund

European Fund

Total number of meetings* voted – **9**

Agenda items where voted against management – **13%**

Percentage of votes cast differently to ISS recommendation – **16%**

Global Equity Funds

Global High Alpha Fund

Total number of meetings* voted – **28**

Agenda items where voted against management – **18%**

Percentage of votes cast differently to ISS recommendation – **12%**

Global Recovery Fund

Total number of meetings* voted – **67**

Agenda items where voted against management – **20%**

Percentage of votes cast differently to ISS recommendation – **13%**

River and Mercantile UK Micro-Cap Investment Company Limited

UK Micro-Cap

Total number of meetings* voted – **1**

Agenda items where voted against management – **0%**

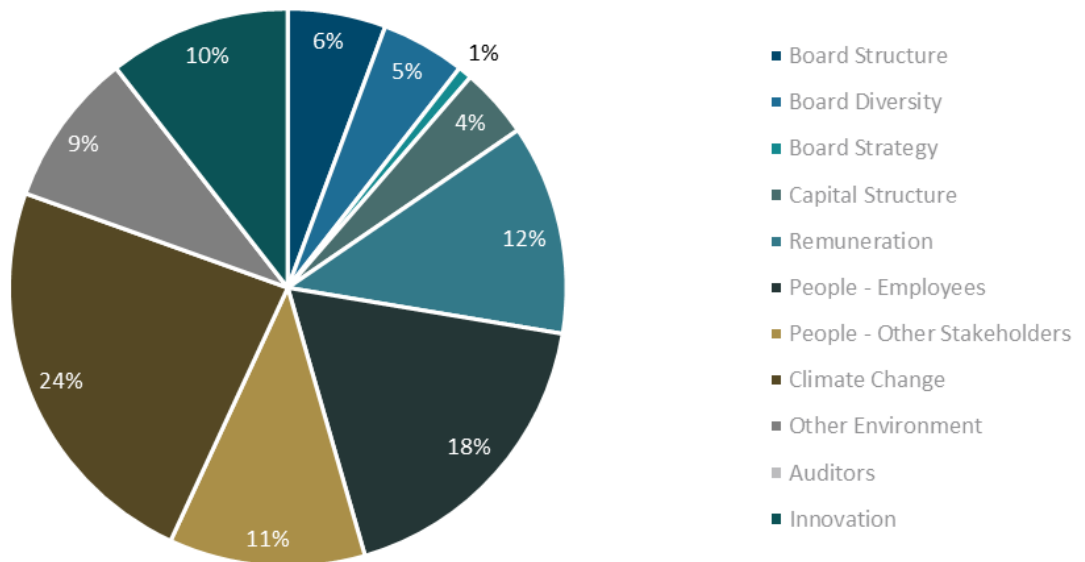
Percentage of votes cast differently to ISS recommendation – **0%**

PVT ENGAGEMENT ACTIVITY

Our engagement with companies focuses on developing and testing our investment case for buying or holding a stock, improving an understanding of the business and strategy, and/or raising sustainability issues.

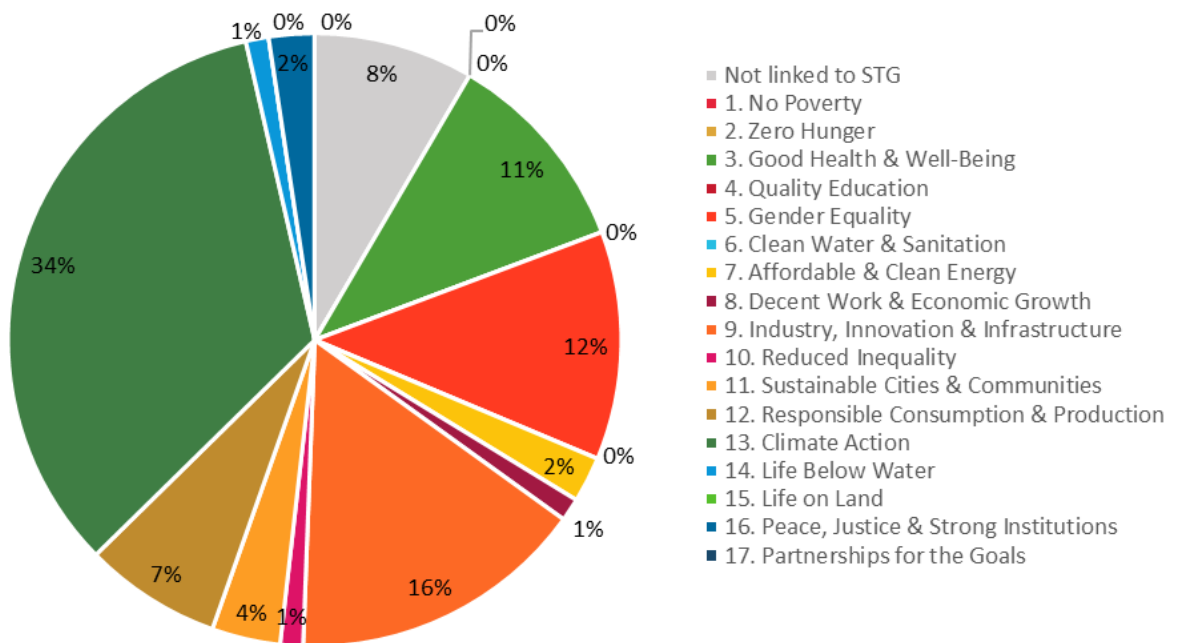
During Quarter 1 2022, we engaged with the following **47** companies on stewardship related issues.

Figure 5 - Issue Discussed by Category



Source: River and Mercantile

Figure 6 - Issue Discussed by UN Sustainable Development Goal



Source: River and Mercantile, UN Sustainable Development Goals

Companies (PVT) Engaged with During the Quarter

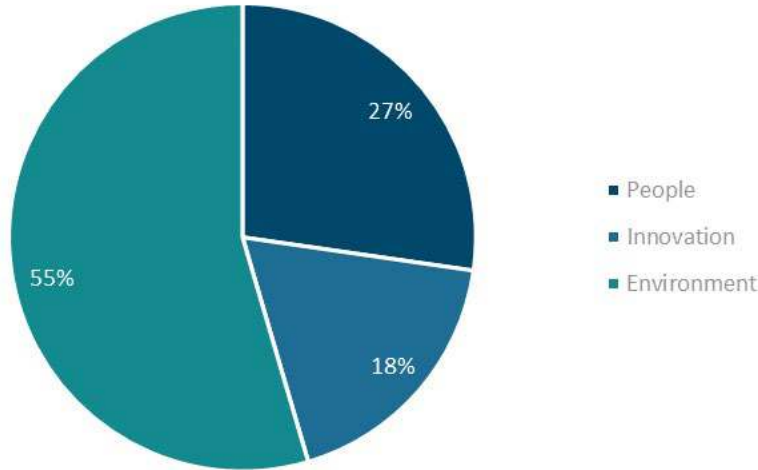
<u>Company</u>	<u>Country</u>	<u>Engaged Party</u>	<u>Engagement Method</u>	<u>E/S/G</u>
Applus Services	Spain	Board Chair	Meeting (1-1)	E,S,G
Allergy Therapeutics	UK	Management	Meeting (1-1)	S,G
Alpha FX	UK	Management	Meeting (1-1)	S,G
Anglo American	UK	IR & Management	Meeting (1-1)	S,E
Anima	Italy	IR	Email	G
Anima	Italy	IR	Meeting (1-1)	E,S,G
Aptitude Software	UK	Management	Email	G
Baker Hughes	USA	IR	Meeting (1-1)	E,G
Bakkafrost	Faroe Islands	Management	Group Meeting	E,S
BAM Group	Netherlands	IR & Management	Meeting (1-1)	S
Booking Holdings	USA	IR	Meeting (1-1)	E,S,G
Booking Holdings	USA	IR	Email	E
Capital Limited	Bermuda	Board	Email	S,G
CGG	France	IR & Management	Meeting (1-1)	E,S,G
CGG	France	IR	Letter	G
Credit Suisse	Switzerland	IR	Letter	E
Diversified Energy	UK	Management	Meeting (1-1)	E,S
Drax	UK	Management	Meeting (1-1)	E,G
Fugro	Netherlands	IR & Management	Meeting (1-1)	E
Fukuda	Japan	IR	Letter	S
Hayward Holdings	UK	Management	Meeting (1-1)	E,G
Henry Schein	USA	IR & Management	Meeting (1-1)	E,G
Henry Schein	USA	IR	Email	E
Indivior	UK	IR & Management	Group Meeting	S,G
Kenmare Resources	Ireland	Management	Meeting (1-1)	E,S,G
Kooth	UK	Management	Meeting (1-1)	S
Lloyds Banking Group	UK	IR & Management	Meeting (1-1)	E,S,G
LVMH	France	IR	Email	E
Nikon	Japan	IR	Meeting (1-1)	G
Philips	Netherlands	IR	Meeting (1-1)	S
Revolution Bars	UK	Management	Meeting (1-1)	S
Roche	Switzerland	IR	Email	E
Sanofi	France	IR & Management	Meeting (1-1)	S,G
SigmaRoc	UK	Management	Meeting (1-1)	E,S,G
Somero Enterprises	USA	Management	Meeting (1-1)	E,S,G
Strip Tinning (pre-IPO)	UK	Management	Meeting (1-1)	E,S,G
Subsea7	Luxembourg	IR & Management	Meeting (1-1)	E

Supermarket Income REIT	UK	Management	Meeting (1-1)	E
Tadano	Japan	IR	Letter	E
Talgo	Spain	IR	Meeting (1-1)	G
TinyBuild	UK	IR & Management	Meeting (1-1)	S
TopBuild	USA	IR & Management	Meeting (1-1)	E,S,G
Toyota Industries	Japan	IR	Meeting (1-1)	E,S,G
UPM	Finland	IR	Meeting (1-1)	E
Valid	Brazil	Consultant	Meeting (1-1)	E,S
Van Lanschot	Netherlands	IR & Management	Meeting (1-1)	S
Xaar	UK	Management	Email	G

COLLABORATIVE ENGAGEMENT ACTIVITY

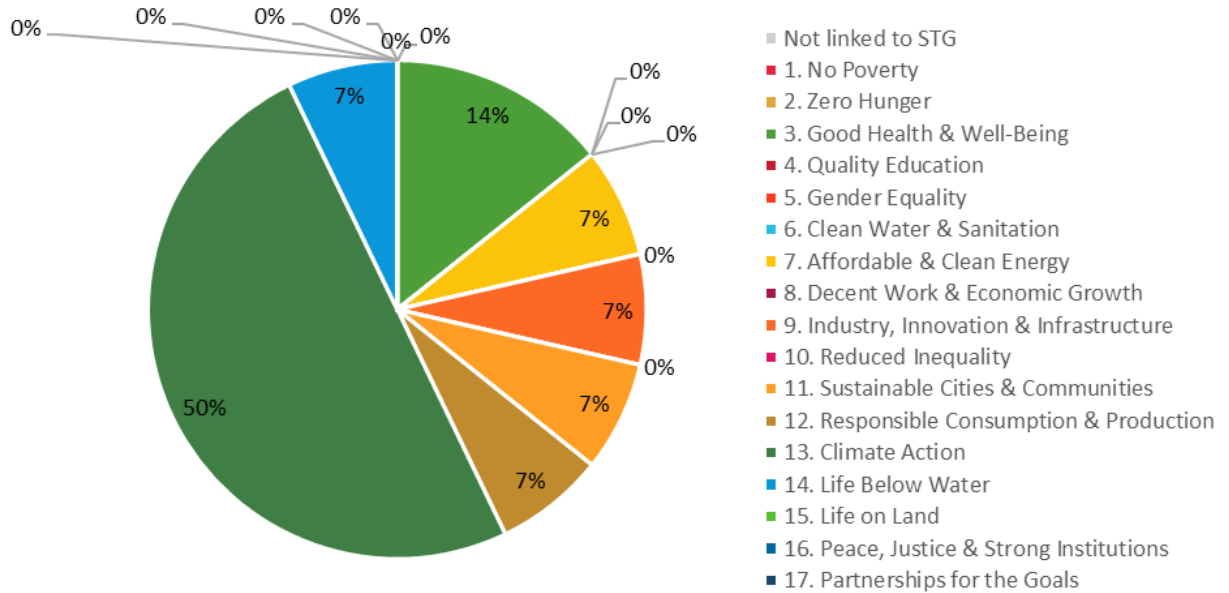
Below is a summary of our collaborative engagement activity in 2022 Q1 related to the PVT funds– we participated in 8 collaborative engagements¹.

Figure 7 - Issue Discussed by PIE



Source: River and Mercantile

Figure 8 - Issue Discussed by UN SDG



Source: River and Mercantile, UN Sustainable Development Goals

¹ Note: multiple engagements may have been held with the same company

Companies (Collaboratively) Engaged with During the Quarter

Companies relevant to the PVT funds.

<u>Company</u>	<u>Country</u>	<u>Collaboration Initiative</u>	<u>Engaged Party</u>	<u>Engagement Method</u>
Air Liquide	France	CA100+	CEO	Letter
Bakkafrost	Faroe Islands	FAIRR	CEO	Letter
Bayer	Germany	Sustainalytics	IR	Meeting
Centrica	UK	CA100+	CSO	Meeting
Credit Suisse	Switzerland	ShareAction	IR	Letter
Indivior	UK	Sustainalytics	IR	Meeting
TotalEnergies	France	CA100+	CEO	Letter
Walmart	USA	CA100+	CSO	Meeting

This document is being issued by River and Mercantile Asset Management LLP (trading as “River and Mercantile” and “River and Mercantile Asset Management”), registered in England and Wales under Company No. OC317647, with its registered office at 30 Coleman Street, London EC2R 5AL.

River and Mercantile Asset Management LLP is authorised and regulated by the UK Financial Conduct Authority (Firm Reference Number 453087), is registered with the U.S. Securities and Exchange Commission (SEC) as an Investment Adviser under the Investment Advisers Act of 1940 and is a member of The Investment Management Association, this document is for private circulation only.

The information contained herein may not be reproduced, distributed or published by any recipient for any purpose without the prior written consent of River and Mercantile Asset Management LLP. The information and opinions contained in this document are for background purposes only, are subject to updating and verification, may be subject to amendment and do not purport to be full or complete. Nor does this document constitute investment advice. River and Mercantile Asset Management LLP is not hereby arranging or agreeing to arrange any transaction in any investment or other undertaking requiring authorisation under the Financial Services and Market Act of 2000 or under any other act.

This document does not constitute or form part of any offer to issue or sell, or any solicitation of an offer to subscribe or purchase any investment nor shall it or the fact of its distribution form the basis of, or be relied on in connection with, any contract therefore.

The value of investments and any income generated may go down as well as up and is not guaranteed. An investor may not get back the amount originally invested. Past performance is not necessarily a guide to future performance. No representation, warranty, or undertaking, express or limited, is given as to the accuracy or completeness of the information or opinions contained in this document by River and Mercantile Asset Management LLP or any of its partners or employees and no liability is accepted by such persons for the accuracy or completeness of any such information or opinions. As such, no reliance may be placed for any purpose on the information and opinions contained in this document.

Registered office: 30 Coleman Street London EC2R 5AL · Registered in England and Wales · No. 3359127 · FCA Registration No. 195028