

**CBIS Global Funds plc**  
**(an umbrella fund with segregated liability between sub-funds)**  
**(the “Company”)**

**Shareholder Rights Directive Engagement Policy**

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**1. Introduction**

- 1.1 Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC (together with the relevant national implementing regulations in Ireland, the “SRD”) requires asset managers to develop and publicly disclose an engagement policy that describes how they integrate shareholder engagement in their investment strategy. As a self-managed UCITS authorised in accordance with Directive 2009/65/EC, the Company is an asset manager for the purposes of the SRD and has adopted this policy in accordance with the SRD.
- 1.2 This policy seeks to describe how the Company integrates shareholder engagement in its investment strategy. It applies to the Company’s investments in companies which have their registered office in a European Union member state (a “Member State”) and the shares of which are admitted to trading on a regulated market situated or operating in a Member State (“investee companies”). This policy describes how the Company monitors investee companies in respect of the matters set out in section 2 below. In this policy, the “Company” shall be deemed to refer, where relevant, to each fund under management by the Company and/or the investment manager(s) responsible for the implementation of each fund’s investment strategy (the “Investment Manager”). Nothing in this policy shall modify or qualify the Company’s investment objective and policies as set out in the relevant offering documents (the “Investment Strategy”).
- 1.3 This policy will be available free of charge on the Company’s website at <https://cbisonline.com/eu>.

**2. Monitoring of relevant matters affecting investee companies**

- 2.1 The Company shall, to the extent determined appropriate by the Company and having regard to, among other things, the Investment Strategy and the nature and size of its exposure to the relevant investee company, monitor the investee company’s approach towards matters such as its business strategy, financial and non-financial performance and risk, capital structure, and social, environmental impact and corporate governance. The Company may base such monitoring on a variety of sources and mechanisms including, without limitation:
- (a) reviewing financial and non-financial information such as annual reports, financial statements and public announcements released on the relevant regulated market by the investee company; and
  - (b) engaging in dialogue with the board of directors and management of the investee company; and
  - (c) considering third party analysis of the investee company, wider market developments and competitors of the investee company.

- 2.2 For the avoidance of doubt, the Company does not assume any responsibility for the investee company's conduct of its business or compliance with its legal, regulatory, corporate governance and other obligations.
- 2.3 The Company expects the Investment Manager to have knowledge of Catholic Responsible Investing ("CRI") activities and priorities and the CRI team reviews this on a regular and ongoing basis with staff, and engagement feeds directly into this goal. The Investment Manager also actively updates its sub-investment managers on its engagement priorities and 'companies of concern', and liaises with them to establish the most efficient means by which they might support their engagement efforts. The Investment Manager also measures how many sub-investment managers are UNPRI signatories on an annual basis and encourages all sub-investment managers to become signatories. Additionally, the Investment Manager liaises with all sub-investment managers in respect of their support for ESG policies and ESG disclosure in the marketplace, and their support for specific initiatives, such as the Task Force on Climate Related Financial Disclosures ('TCFD').

### **3. Screening and the decision to invest**

- 3.1 A large part of the Company's engagement as a shareholder relates to its screening procedures and the decision process used to establish the investee companies in which the Company may invest (noting that the sub-investment managers generally decide the companies in which the Company should invest). This involves two groups. Firstly, the Investment Manager's investment management team which selects, appoints, and monitors sub-investment managers and is on the frontline of setting expectations for the Company's sub-investment managers, and secondly, the sub-investment managers themselves. The Company routinely carves out time when meeting with sub-investment managers to discuss engagement activities, active ownership priorities, and how sub-investment managers approach such issues.
- 3.2 As part of the ongoing review of investments, the Company requires companies that appear on an active ownership focus list to demonstrate that they are implementing any agreed upon changes. The Company also asks these companies to publish relevant policies (such as a human rights policy) and provide details as to the steps they are taking, the priorities they have established, evidence of accountability mechanisms, their measurements of success, and the benchmarks and metrics they have created to evaluate their ongoing performance. The Company pushes for public disclosure of this information so that all investors and stakeholders can have access to it and may go on-site and evaluate company operations for in-depth engagement. As an active owner, the Company has in the past focused, and will continue to focus on, key issues including the mitigation of climate change, the prevention of human trafficking and the prevention of child sexual exploitation online.

### **4. Engagement with investee companies**

- 4.1 The Company may, at its discretion and having regard to the Investment Strategy, engage with the investee company when the Company has concerns about any of the matters referred to in section 2.1 above. The Company may also engage with the investee company in respect of any updates or changes in business strategy (and not solely where a concern has arisen).
- 4.2 In such cases, the Company may seek to engage with the investee company by way of dialogue with its board of directors or management and/or take any one or more of the following actions:
  - (a) interact where appropriate with proxy advisors;

- (b) meet with the chairman or other board members of the investee company;
- (c) submit resolutions and speak at shareholder meetings or vote against, or abstain from voting on, resolutions at shareholder meetings;
- (d) reduce, or dispose of its holding in, or otherwise adjust its exposure to, the investee company; and
- (e) undertake such other engagement as it determines to be appropriate in the circumstances.

4.3 In order to ensure that the Company covers a wide range of issues of concern to Catholic organisations when making investments, each year the Company directly engages with investment companies on issues related to human dignity, economic justice, and environmental stewardship. The Company's basic philosophy is to screen out companies based upon what they do, and to use active engagement with companies to ascertain how they are conducting their business. Which strategy is employed for any given issue is strongly influenced by Catholic teaching, by the preferences of the Company's investors and by the potential financial impact. In selecting companies for engagement, the Company also considers the following points:

- the Company's largest holdings, to identify the areas in which the Company might have the most leverage;
- the strategic importance of a potential investment company within an industry;
- the performance of a potential investment company within the sector as a leader or laggard;
- the size and country of origin of any potential investment; and
- the number of other socially responsible investors to have invested in such a company.

## 5. **Exercise of voting rights and other rights attached to shares**

5.1 Pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (together, the "UCITS Rules"), the Company has adopted a strategy in relation to the exercise of voting rights.

5.2 The Company intends to exercise any other rights attaching to shares in investee companies in a manner consistent with the Investment Strategy.

## 6. **Cooperation and communication with other shareholders and stakeholders in investee companies**

6.1 The Company may, at its discretion and having regard to the Investment Strategy, enter into dialogue and/or collaborate with shareholders and other stakeholders in investee companies.

6.2 Any such collaboration must be carried out in accordance with the applicable law and regulation and the Company's policy on conflicts of interest.

**7. Management of actual and potential conflicts of interest**

- 7.1 The Company has adopted a conflicts of interest policy in accordance with the UCITS Rules which identifies, with reference to the collective portfolio management activities carried out by or on behalf of the Company, the circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of the Company and sets out procedures to be followed and measures to be adopted to manage such conflicts.
- 7.2 In addition, the Company has adopted a connected party transaction policy as required under the UCITS Rules which require that any transaction carried out with a “connected party” of the Company must be: (a) conducted at arms’ length; and (b) in the best interests of shareholders in the Company. A “connected party” includes the Company’s investment manager and depositary, the delegates and sub-delegates of the investment manager and depositary, or any associated or group company of the foregoing.

**8. Annual disclosure on implementation of this policy and review of policy**

- 8.1 The Company shall, to the extent required by applicable law and regulation, disclose on its website at <https://cbisonline.com/eu> and/or by other means, on an annual basis:
- (a) how it has implemented this policy, including a general description of voting behaviour, an explanation of the most significant votes and the use of services of proxy advisors; and
  - (b) how it cast votes in the general meetings of investee companies. Such a disclosure may exclude votes that are insignificant due to the subject matter of the vote or the size of the holdings in the investee company.
- 8.2 The board of directors of the Company and the relevant Designated Person will review this policy as appropriate and on at least an annual basis.