



## **T. Bailey Asset Management Limited**

### **Engagement & Shareholder Rights**

### **Directive (SRD II) Disclosure**

The Financial Conduct Authority (FCA) requires firms such as T. Bailey Asset Management Limited (the “Firm” or “TBAM”) to either:

- develop and publicly disclose an engagement policy that meets the requirements set out in the FCA Handbook and disclose on an annual basis how this has been implemented; or
- publicly disclose a clear and reasoned explanation as to why it has chosen not to comply with any of the requirements for an engagement policy

Disclosure of an engagement policy forms part of a firm’s obligations under the Shareholder Rights Directive (SRD II). The FCA Handbook requires that the engagement policy must describe how a firm:

- integrates shareholder engagement in its investment strategy;
- monitors investee companies on relevant matters, including:
  - strategy;
  - financial and non-financial performance and risk;
  - capital structure; and
  - social and environmental impact and corporate governance;
- conducts dialogues with investee companies;
- exercises voting rights and other rights attached to shares;
- cooperates with other shareholders;
- communicates with relevant stakeholders of the investee companies; and
- manages actual and potential conflicts of interests in relation to the firm’s engagement.

TBAM has developed an engagement policy which addresses the above requirements. There is considerable overlap between engagement activities and the Firm’s wider stewardship activities; there is also overlap in the regulatory requirements covering engagement and stewardship. In order to provide useful information to users in the most convenient format, and to avoid repetition, TBAM has included its engagement policy and disclosure as part of its Stewardship and Voting Policy which is available on its website.

## **Annual Disclosure**

The Firm is required to make an annual disclosure which must include a general description of voting behaviour, an explanation of the most significant votes and reporting on the use of the services of proxy advisors.

It must also publicly disclose how it has cast votes in the general meetings of companies in which it holds shares. However, the Firm is not required to disclose votes that are insignificant due to the subject matter of the vote or the size of the holding in the company.

The Firm's general voting behaviour is described in its Stewardship and Voting Policy which is available on its website. TBAM maintains an audit trail of voting activity and meetings. However, the Firm does not believe it is proportionate to disclose all of its voting activity given its small size and the small proportion of any direct equity holding the Firm's products will hold. The Firm will continue to monitor this matter and will review its position as direct equity positions increase in size.