

SVM ASSET MANAGEMENT



Responsible Investing Report

SEPTEMBER

2021



Responsible Investing at SVM



Responsible investing is an important aspect of the service we offer our clients and a key point of differentiation with passive investment strategies and many other active managers. SVM began managing Socially Responsible Investment (SRI) products in 2006. Since then, our engagement principles have evolved to include environmental, social and corporate governance (ESG) issues across our range.

Our top priorities are to do our best for our clients, by maximising their portfolio returns and protecting their interests, and to drive benefit for society. To select investments, we employ a consistent and disciplined approach that focuses on intensive bottom up research. As part of our investment process we assess many factors including ESG considerations for their potential to materially affect a company's performance.

As a boutique investment firm we recognise that, because in most cases we will not hold significant positions in investee companies, it can be difficult to encourage changes in management attitudes and behaviour purely by exercising client voting powers alone. Instead, we have adopted a more flexible approach and we engage with company management and boards as and when we believe it will be of most benefit.



Company Engagement

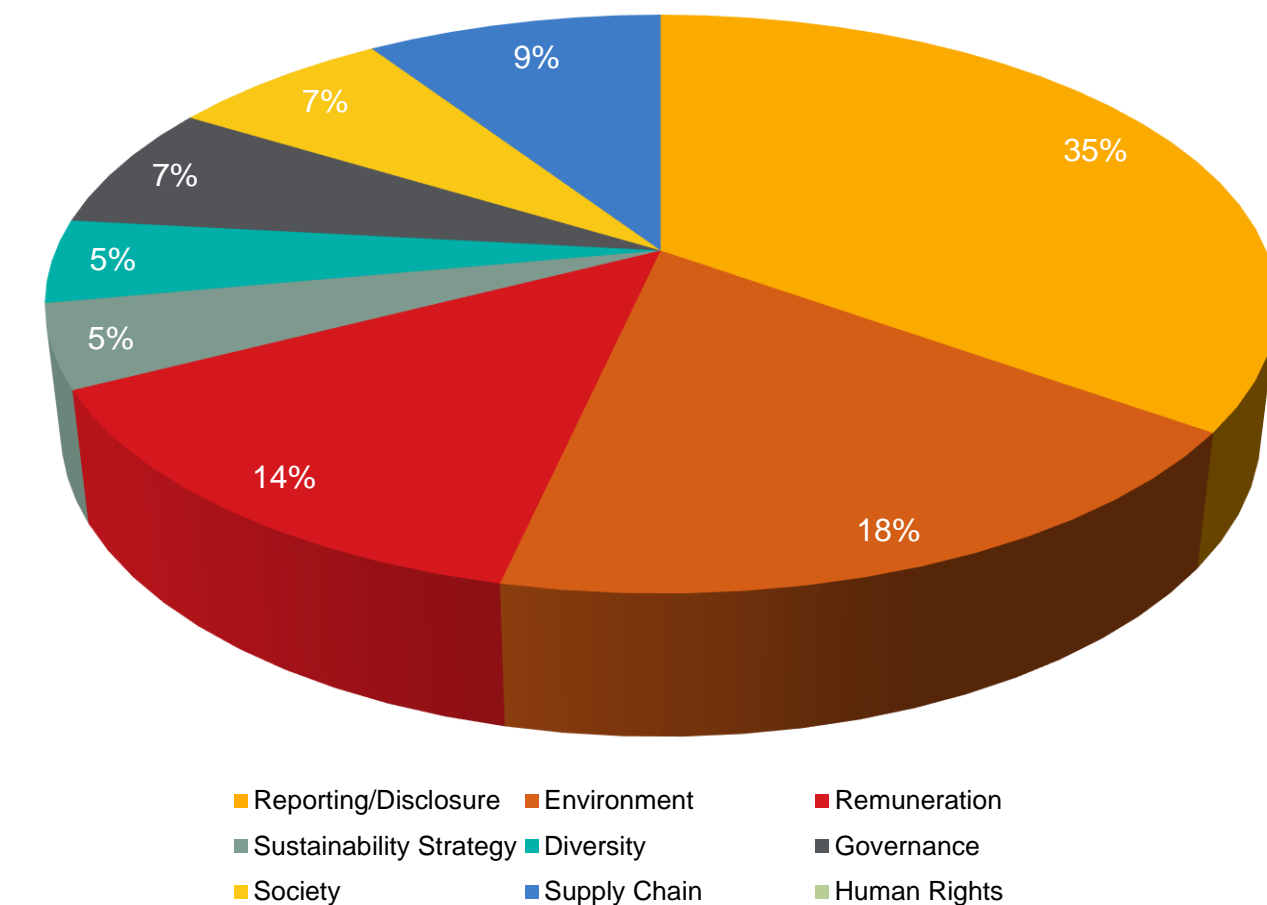


Engagement Policy

We enter into a dialogue with every potential investment with a view to having a positive influence on the company concerned. Using information derived from a combination of in-house research, dialogue with the company and external sources we identify the key issues and discuss them directly with company management, in order to affect change.

Q3 2021 Engagement Update

During the quarter we engaged with 25 companies on 43 ESG issues.





Company Engagement - Q3 2021



Company	Engagement Topics								
	Reporting / Disclosure	Environment	Remuneration	Sustainability Strategy	Diversity	Governance	Society	Supply Chain	Human Rights
Balfour Beatty	•	•							
4Imprint	•								
PNE Wind						•			
Mediobanca	•	•					•		
Mediolanum	•						•		
Sesa	•								
JD Sports								•	
United Internet						•			
Alpha Financial	•	•	•	•					
Allianz	•						•		
Nagarro			•						
Rexel		•						•	
Cap Gemini	•	•	•						



Company Engagement - Q3 2021



Company	Engagement Topics								
	Reporting / Disclosure	Environment	Remuneration	Sustainability Strategy	Diversity	Governance	Society	Supply Chain	Human Rights
Lloyds bank	•	•	•						
Jet 2						•			
Smith & Nephew	•	•	•					•	
DCC	•	•							
Ashtead			•						
Redde									
Northgate			•						
Oxford Instruments					•				
Dianomi	•								
JTC PLC	•								
Delivery Hero	•			•				•	
Kooth	•				•				
Alpha Financial	•	•							



Voting



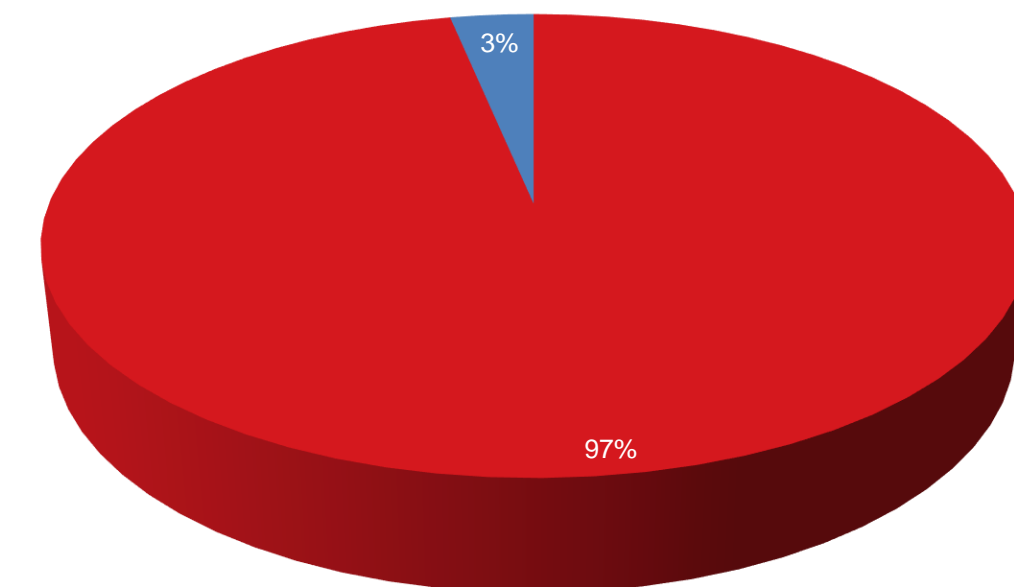
Voting Policy

We seek to promote corporate social responsibility through engagement and a negative vote will only be viewed as a final measure to be adopted when this process of engagement has not been successful. We have and will express our views in this way if necessary. Our emphasis is on engagement and resolving issues through dialogue.

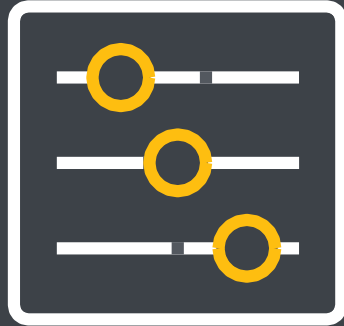
[Click here](#) for voting records for SVM Asset Management from 1 January 2019.

Q3 2021 Voting update

Across 682 unique proposals to vote, we voted 645.



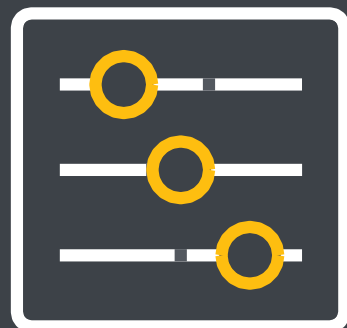
■ For ■ Did Not Vote ■ Against/Withhold ■ Abstain



Voting Rationale



Date	Security	Resolutions voted against / abstained	Reason
01/07/2021	JD Sports Fashion plc	2. Approve remuneration report 3. Approve remuneration policy 4. Re-elect Peter Cowgill as director 6. Re-elect Andrew Leslie as director 13. Approve Long Term Incentive Plan 2021	We voted against the remuneration report as the company paid bonuses and took government aid; the remuneration policy because of a reward system skewed toward the CEO; the appointment of the Chair as he also holds the position of CEO; the appointment of director Andrew Leslie as he is responsible for the remuneration policy as chair of the remuneration committee; and finally the LTIP for the above mentioned reasons
07/07/2021	Aveva Group plc	7. Re-elect Olivier Blum as Director	We voted against Item 7 as the director involved is considered non-independent yet sits on the remuneration committee which goes against best practice
16/07/2021	Wizz Air Holdings plc	2. Approve remuneration policy 5. Approve Value Creation Plan	We voted against Items 2 & 5 as the remuneration package for the CEO has share price targets only. Please note we have only voted a portion of the total shares we hold as the remainder have been disenfranchised as a result of changes in ownership rules for airlines in Europe post Brexit.
16/07/2021	Voilex plc	2. Approve remuneration report	We have voted against Item 2 as the CFO is in receipt of a discretionary bonus within his termination package.



Voting Rationale



Date	Security	Resolutions voted against / abstained	Reason
31/08/2021	Nagarro SE	5. Approve remuneration policy 8. Approve stock option plan for key employees; approve creation of EUR 45,000 pool of conditional capital to guarantee conversion rights.	We voted against resolutions 5 and 8 as both the remuneration policy and options programme fail to meet best market standards
02/09/2021	Jet2 plc	3. Re-elect Richard Green as Director 6. Authorise issue of equity 7. Authorise issue of equity without pre-emptive rights 8. Authorise issue equity without pre-emptive rights in connection with an acquisition or other capital investment	We voted against Item 3 as the director is not independent yet sits on the audit committee and items 6,7 and 8 as a result of circumventing equity raise permissions in the past
16/09/2021	Ashtead Group plc	2. Approve Remuneration Report 3. Approve Remuneration Policy 15. Approve Long-Term Incentive Plan	We voted against Items 2, 3 + 15 as a result of the over-proportional salary and LTIP increases for executive directors.
20/09/2021	Redde Northgate plc	3. Approve remuneration report	We voted against Item 3 as senior management received bonuses when in receipt of government financial assistance



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