

UK Stewardship Code

This disclosure is currently under review for the FCA's Consultation Paper (CP19/07) to implement the Shareholder Rights Directive (SRD II)

Sand Aire Limited (known as "Sandaire") are discretionary investment managers, managing assets for retail and professional clients.

FCA-authorized firms which manage investments for professional clients that are not natural persons must disclose on their website the nature of their commitment to the Financial Reporting Council's Stewardship Code ('Code'); or where they do not commit to the Code, their alternative investment strategy.

At Sandaire, we aim to act in the best interests of all our clients and observe proper standards of market conduct. Sandaire client portfolios are primarily invested in collective investment schemes (CIS) and to a lesser extent direct equities and bonds.

As appropriate, Sandaire will engage and vote on issues affecting the long-term value of a company in which it is invested. Issues may include, but are not limited to, business strategy, acquisitions and disposals, capital raisings and financing operations, internal controls, risk management, board effectiveness and succession, shareholder rights, corporate responsibility, culture and values, and remuneration.

This document explains Sandaire's compliance with the Code and its principles.

Principle 1 – Institutional investors should publicly disclose their policy on how they will discharge their stewardship responsibilities

Sandaire's approach to stewardship is publicly disclosed on its website via this document.

As an investment manager we have a duty to act in the best interests of our clients. Key elements in our stewardship process are set out in this statement including the activities we undertake to meet the UK Stewardship Principles.

Principle 2 – Institutional investors should have a robust policy on managing conflicts of interest in relation to stewardship and this policy should be publicly disclosed

As Sandaire is an investment management company responsible for managing the investments of a small number of clients, potential conflicts of interest can arise. In line with the FCA's Rules we have a Conflicts of Interest policy which is available on Sandaire's website.

The policy sets out the circumstances which may constitute actual or potential conflicts of interest in the business of Sandaire that may entail a material risk of damage to the interest of one or more of Sandaire's clients and will address the above principle as appropriate. For each area identified, it specifies the policy or procedures followed and measures adopted by Sandaire to manage such conflicts to ensure with confidence that any material risk of damage to clients is prevented.

It should be noted that Sandaire strives to ensure that it manages conflicts of interest and will only seek to disclose a conflict where it is not possible to put in place policies and procedures to adequately manage it.

Principle 3 – Institutional investors should monitor their investee companies

Sandaire client portfolios are primarily invested in CIS and to a lesser extent direct equities and bonds.

In relation to direct equities and bonds, where appropriate, Sandaire actively engages with the management of the issuers and companies in which we invest on behalf of our clients.

Our analysts and portfolio managers consider the financial implications of corporate governance risks as part of the fundamental research process.

With regard to CIS, our analysts undertake substantial and detailed due diligence which will consider governance structures, disaster recovery and compliance arrangements. Our analysts and portfolio managers aim to meet with external CIS providers at least annually.

Principle 4 – Institutional investors should establish clear guidelines on when and how they will escalate their activities as a method of protecting and enhancing shareholder value

When appropriate, we actively engage with external investment managers or companies in relation to corporate governance and other issues in our clients' best interests. In certain situations, we may elevate these discussions to shareholder boards or their respective members, and potentially through proxy solicitation.

We review all current managers at least annually. In addition to their fundamental analysis, the investment team is required to visit/communicate with senior management once a year for every company considered to be an elevated risk. We supplement these visits with ongoing discussions with suppliers and counterparties where appropriate.

We do not generally invest in companies without having face to face meetings with management; however there are situations, particularly where the company is not located in the UK, where this may be accommodated by at least three discussions with the relevant company.

While Sandaire utilizes large amounts of external research, we never rely solely on rating agencies or upon external sources of investment research. We place a great deal of importance on our own analysis also when evaluating the businesses in which we invest.

Principle 5 – Institutional investors should be willing to act collectively with other investors where appropriate

When it is in the best interest of our clients, we may act collectively with other investors when we believe it is likely to enhance our ability to engage with a company.

Principle 6 – Institutional investors should have a clear policy on voting and disclosure of voting activity

Except to the extent required by applicable law or otherwise approved by Sandaire, we will not disclose to third parties how a proxy was voted on behalf of a client. However, upon request from an appropriately authorised individual, Sandaire will disclose to its clients or the entity delegating the voting authority to Sandaire for such clients (e.g., trustees or consultants retained by the client), how Sandaire voted such client's proxy.

Principle 7 – Institutional investors should report periodically on their stewardship and voting activities

We will disclose our stewardship and voting activities to clients if requested.

We periodically review our compliance with the Code and will update our policy as required.