



ESG Policy

Introduction

Ross & Van Compernelle's investment strategy includes both an 'active' approach and 'bottom up' approach to investment management. This is a fundamental investment approach that requires us to analyse each company in depth.

Sustainability is an approach that considers our present needs but without compromising the ability of future generations to meet their own needs. A common approach society has taken is to focus only on 'profit', but now it is essential to use a 'triple bottom line' (planet, people, profit) lens in both running and assessing companies, as well as decision making in general.

In the context of investing, Ross & Van Compernelle integrates Environmental, Societal and Governance (ESG) considerations into our investment process which can highlight and manage material ESG risks and opportunities. This responsible investment approach maximises our chances of delivering superior risk adjusted returns over the long term.

Our Approach

We have a 4 pronged approach which comprises:-

ESG Integration

We integrate the assessment of ESG factors into our core investment process. Whilst we also utilise third party assessments, tools and frameworks as part of our comprehensive analysis, it is essential that our investment and engagement team incorporate this approach into their daily responsibilities.

Engagement

As an investment advisor we sit between the Investors and the Companies we invest in. Our goal is to both understand our Investors requirements as well as our investee companies' ESG behaviour. **Maintaining an open and ongoing dialogue** with companies and their management teams is the primary strategy we employ to both analyse and monitor, and where necessary we will inform where we believe that behaviour is sub-standard. Our goal is where possible, that our dialogue can promote positive change within the companies we invest in.



Beyond dialogue, where relevant we use our right to either propose agendas, or **exercise our vote at shareholder meetings** as a tool to positively influence company policy, particularly in relation to Governance structures. Clearly, not buying the Company shares in the first place, or selling shares of a Company that does not progress to our expectations is also an option.

Exclusions

As we believe that each Company is unique and highly nuanced, we do not enforce a universal 'one size fits all' policy or maintain a specific company exclusions list. As an active manager with only one Fund, we are able to learn much more deeply about each Company we invest in and how they are developing, rather than applying blanket restrictions or prohibitions based on any one ESG factor. That said, we do at times, apply a set of exclusions in line with our ESG mandate. These include (but are not limited to):-

Global Exclusions	We do not invest in securities that pose a high risk due to their exposure to supporting Governments carrying out crimes against humanity
Sector Exclusions	We do not invest in securities that pose a high risk due to their exposure to sectors that are deemed unethical, harmful to society, or in breach of laws or regulations
Governance exclusions	Companies that have either an existing track record of (or what we deem to be a directional risk towards) serious corporate governance breaches

Reporting

We report on ESG risks and opportunities both internally and externally. As part of our internal investment process, we screen companies ESG reports as well our own proprietary research to form an overall ESG score. At a Fund level we compile and monitor ESG metrics, the most pertinent are disclosed in external reports such as our monthly Fact Sheet. This enables us and our investors to form a more comprehensive opinion. As part of our engagement strategy with our investee companies, we also encourage increased transparency and would expect to see the level of reporting improve over time.

Ross & Van Compernelle
c/o International Corporation Service Ltd Harbour Place, 2nd Floor, 103 South Church Street,
P.O. Box 472, George Town, Grand Cayman KY1-1106, Cayman Islands
www.rossvancompernelle.com