

Bramshill Investments

ESG & Sustainability

At The Firm (Manager) And Investment (Portfolio) Level

SUMMARY POLICY APRIL 2021

This Policy may be amended, supplemented or replaced in whole at any time without notice. While this Policy is provided to you in good faith, no reliance may be placed for any purpose on this Policy. No representation, warranty or undertaking, express or implied, is or will be made and no responsibility or liability is or will be accepted by any of Bramshill Investments, LLC or any of their affiliates, or any fund managed by them or by any of their respective directors, officers, members, partners, employees or agents (the "Relevant Persons") in relation to the accuracy or completeness of the Policy or any other written or oral information made available by any Relevant Person in respect of the application of this Policy and any such responsibility or liability is expressly disclaimed.

1. Introduction

As a responsible business and investor, the Firm is aware that its investment policy, strategies and decision-making, through the discretion it exercises on behalf of its investors, have the potential to have an impact on the environment, community and wider society. In acknowledgment of this, the Firm incorporates Environmental, Social and Governance (“ESG”) & Sustainability considerations at the Firm (Manager) and Investment (Portfolio) level, subject to local restrictions and applicable law. In addition to these factors having the potential to make a positive contribution to the planet and society at large, the Firm sees their consideration as important for the preservation and growth of the value of client’s assets over the long-term.

The purpose of this Policy is to detail the Firm-wide commitment to integrate ESG & Sustainability considerations both within the Firms investments’ and at the management level, as well as outlining the governance mechanisms which underpin this approach. The Policy adopts an approach that considers both of these simultaneously so as to provide, all other things being equal, a consistent and holistic approach.

The Firm recognizes that ESG & Sustainability are evolving subjects and, as a result, this Policy may be subject to review and amendment to reflect changes in industry best practice and internal processes. Just as the investment industry is currently going through a transformation, the Firm also recognizes that this is a journey for many companies in their investment universe.

The Policy implementations are intended to be Firmwide, however, there may be occasions when local law and/or restrictions necessitate that the application of the Policy be amended.

2. Oversight, Governance and Management

The Firm’s commitment to ESG & Sustainability has been embedded within the existing infrastructure of the Firm. As such, the internal processes and procedures associated with ESG and Sustainability have been considered, reviewed and approved by the Firm’s senior management, and are structured to permeate throughout the whole Firm. To further enhance and ensure robust governance, the Firm has established an ESG & Sustainability Committee (“the Committee”). The Committee will meet quarterly, however, it will aim to meet monthly where able. The Committee’s broader responsibilities may include:

- Reviewing and updating the Policy as appropriate
- Ensuring the underlying Policy constituents are applied consistently
- Providing oversight and management of ESG Integration at the Firm (Manager) and Investment (Portfolio) level.

The Committee will be chaired by Firm’s internal Head of ESG Strategy, Shannon Ruiz, and will include other internal representatives, as well as the Firm’s ESG & Sustainability Advisor

Counsel, Kukua (see “Access to Expert Advisory and Counsel” section for information on Kukua). Further information on the Committee is detailed in the Committee Terms of Reference (“TOR”) and can be shared upon request.

3. Access to Expert Advisory and Counsel

The Firm has engaged with Kukua, an independent multi-disciplinary and specialist global ESG, Sustainability and Climate advisory practice, from whom the Firm can leverage its methodology and expertise in meeting its objectives in this space.

Kukua works with financial market participants to integrate ESG, Sustainability and Climate considerations at all levels, and is experienced across asset classes and strategies. Kukua is a specialist in supporting alternative funds in this space.

Kukua is independent of the Firm’s investment and business team and can therefore provide impartial and objective ESG & Sustainability Advisory and Counsel.

Amongst other responsibilities, Kukua will conduct reviews of the Policy and provide recommendations to ensure the Firm’s approach continues to be strengthened and enhanced.

4. Training

The Firm is committed to promoting ESG & Sustainability awareness and understanding within the Firm. In pursuit of this, Kukua delivers formal ESG & Sustainability training to the Firm’s staff to develop their knowledge of this area. The Firm encourages its employees to attend conferences and webinars to stay abreast of ESG & Sustainability developments and also supports staff who wish to continue formal education. In addition, the Firm provides best-practice mandatory training to its staff, for example, in the areas of Diversity & Inclusion.

5. Part 1: Implementing ESG & Sustainability at the Firm (Manager) Level

The Firm’s mandate is to deliver superior risk-adjusted returns for investors and, in striving to achieve this, the Firm recognizes that assessing ESG and Sustainability factors is a critical part of risk management. Whilst the aforementioned is a requirement for the investment process, the Firm recognizes the necessity and benefits of having a proactive and engaged approach to ESG and Sustainability within the Firm itself.

Whilst the Firm constitutes a small company when considered in the context of the wider economy, the principles of ESG and Sustainability have been embraced. This is a recognition of the benefits such an approach has for the Firm, its employees and those of wider society. That said, it is recognized that being a small company has limitations (both practically and ethically) as to the extent that some of the recognized normative codes can be implemented.

As such, the Policy adopts an “Implement and Build” approach, with the initial implementation focused on what are termed the “initial focuses”. As part of the Firm’s continuous work, these will be enhanced and expanded over time. To ensure the Policy is effective and consistent, the Firm has created a framework which encompasses ESG and Sustainability factors comprising the following initial focuses:

- **Environmental Management** – While the Firm’s direct operations are relatively low-impact, it is committed to improving its environmental performance, where able, in the office and through work-travel.
- **Social: People, Inclusion and Diversity** – The Firm believes that an inclusive culture is key to facilitating diversity, collaborative working, and its ability to deliver for its customers, shareholders and communities. The Firm aims to contribute to this area, where able, within the recruitment process and employee retention.
- **Social: Communities and Giving Back** – The Firm looks to support the local communities in which it operates and encourages its employees to do the same.
- **Governance: Transparency, Integrity and Accountability** – To fulfil its Fiduciary Duty, the Firm follows the highest legal, ethical and professional standards in its business.

This measured and planned approach provides a practical roadmap for the Firm.

6. Part 2: Implementing ESG & Sustainability at the Investment (Portfolio) level

As responsible and diligent investors, the Firm integrates ESG & Sustainability Risk (“ESG & Sustainability Risk Factors”, or “Factors”), as appropriate, alongside traditional measures within its investment process.

The Firm recognize that this consideration will both inform and enhance the due diligence process, as well as the Firm’s approach to risk management. Furthermore, the Firm recognizes that taking into account these Factors may enhance its ability to see the whole picture when investing.

1.1. External Affiliations

As part of the Firm’s commitment to and advocacy to ESG & Sustainability at the Investment (Portfolio) level, it has become a signatory to the UN supported Principles for Responsible Investment (“PRI”)¹.

The PRI Principles align with Firm’s investment approach and it is excited by the opportunity to contribute to its work. Furthermore, the Firm’s ESG & Sustainability Risk integration has been informed by the PRI and its Principles, amongst other initiatives.

¹ Further information on the PRI and its Principles can be viewed [here](#)

The Firm will also continue to monitor the most relevant organizations advocating ESG & Sustainability related considerations to facilitate any future alignment.

1.2. ESG & Sustainability Risk Framework (the “Model”)

The Firm has implemented a consistent Model for ESG & Sustainability Risk² integration that also permits a diversity of approaches across different Funds, investment teams and strategies. ESG & Sustainability Risk considerations that are material will vary by client objectives, asset class, investment style, objectives of the investment strategy, individual research processes, distinct investment characteristics and investment time horizon, sector, and market trends, amongst other factors. As a result, the Model may be adapted by each Fund, investment team and strategy.

The Model process begins with the initial idea generation and continues throughout the lifecycle of an investment.

1.2.1. Sustainable Financial Disclosure Regulation (“SFDR”)³ for in-scope Funds.

1.2.1.1. *The Firm’s UCITS Income Performance Fund*

For the purposes of the Sustainable Financial Disclosure Regulation (“SFDR”), whilst the Firm’s UCITS Income Performance Fund does consider ESG & Sustainability Risk in the investment process, as outlined in the Model, the Fund does not promote environmental and/or social characteristics nor have sustainable investment as its objective (as provided by Article 8 or 9 of the SFDR). Accordingly, the Fund has been classified as an Article 6 Fund.

1.3. Stewardship

Effective and responsible ownership is part of the Firm’s investment process and it maintains a proactive approach in this area.

1.3.1. Investment Engagement

As part of the Firm’s investment process, the Firm may choose to engage with Relevant Stakeholders to the investment in order to discuss certain Factors and determine their significance. These Factors can be both positive (opportunities) and negative (incidents). The identification of these Factors enables the Firm to evaluate the impact to the financial condition or operating performance of a company, as well as influence, or identify the need to influence, corporate practice

² When assessing the sustainability risk associated with underlying investments, the Investment Manager is assessing the risk that the value of such underlying investments could be materially negatively impacted by an ESG Event or Condition.

³ Further information on SFDR can be found [here](#)

on ESG & Sustainability Factors⁴. The analysis may result in adjustments to financial forecasting and modelling (e.g., company valuation).

1.3.2. Collaborative Engagement

The Firm will review proposals for Collective Engagement initiatives on a case by case basis alongside other criteria, such as the size of its shareholding, the materiality and objectives of the ESG & Sustainability Risk topic and the collective ability to influence an outcome.

1.3.3. Proxy Voting

The Firm is also aware of its responsibility to use its voting powers, in the best interest of its clients, to positively impact both the performance and behavior of companies in significant areas. The Firm's Proxy Voting Policy sets out its voting guidelines in more detail and is available upon request.

1.4. Transparency

The Firm is currently undertaking a review across the business with the goal of disclosing ESG & Sustainability Risk integration practices in Fund documentation in 2021. The Firm also plan to disclose its approach to ESG & Sustainability integration through industry relevant reporting frameworks such as the PRI, to which it will disclose in 2022.

⁴ *The extent to which the Firm would expect to influence change will depend on the specific situation, and in particular the amount its clients own of the investment relative to the investments overall share capital.*