

# **Veridien Global Investors LLC**

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## **FORM ADV PART 2A BROCHURE**

This brochure provides information about the qualifications and business practices of Veridien Global Investors LLC. If you have any questions about the contents of this brochure, contact us at 888-318-0133. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Veridien Global Investors LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Veridien Global Investors LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## Item 2 Summary of Material Changes

Form ADV Part 2A requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

This is our first annual updating amendment since our registration approval on April 6, 2023 and we have the following material changes to report:

- Paulus Ingram was removed as a direct owner of the firm.
- Active Management LLC was added as a direct owner of the firm.
- Paulus Ingram was added as an indirect owner of the firm.

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## Item 4 Advisory Business

### Description of Firm

Veridien Global Investors LLC ("Veridien") is based in Darien, CT. We are organized as a limited liability company under the laws of the state of Delaware. We are owned by Ariane Mahler, Robert Walker, NBCP, LLC and Active Management LLC.

We are indirectly owned by Darcy Dewey, John Dewey and Paulus Ingram.

The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we," "our," and "us" refer to Veridien and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

### Portfolio Management Services

We offer discretionary portfolio management services. Our investment advice is tailored to meet our clients' needs and investment objectives.

If you participate in our discretionary portfolio management services, we require you to grant us discretionary authority to manage your account. Subject to a grant of discretionary authorization, we have the authority and responsibility to formulate investment strategies on your behalf. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without obtaining your approval prior to each transaction. We will also have discretion over the broker or dealer to be used for securities transactions in your account. Discretionary authority is granted by the investment advisory agreement you sign with our firm, a power of attorney, or trading authorization forms.

As part of our portfolio management services, in addition to other types of investments (see disclosures below in this section), we may invest your assets according to one or more model portfolios developed by our firm. These models are designed for investors with varying degrees of risk tolerance ranging from a more aggressive investment strategy to a more conservative investment approach. Clients whose assets are invested in model portfolios may set reasonable restrictions on the specific holdings or allocations within the model, or the types of securities that can be purchased in the model, if the portfolio manager determines those restrictions will not be overly disruptive to the management strategy.

In providing account management services, we will accept reasonable client restrictions on the specific securities or the types of securities that may be held in your account upon your request and acceptance by the portfolio manager.

### Veridien Climate Action ETF

We serve as the investment sub-adviser to the actively-managed Veridien Climate Action ETF (the "Fund"), an exchange-traded fund organized as a separate series of the Tidal Trust II (a registered management investment company). The Fund's investment objective is to seek long-term growth of capital by investing in public companies with technologies and business models that contribute to climate change mitigation. For complete information, please consult the Fund's Prospectus and Statement of Additional Information.

### Types of Investments

We invest in exchange traded equity securities and/or ADRs. Please refer to Item 8 for a complete description of our investment strategies.

## **Assets Under Management**

As of December 31, 2023, Veridien had discretionary assets under management of approximately \$23,241,286 and had \$0 non-discretionary assets under management.

## **Item 5 Fees and Compensation**

### **Portfolio Management Services**

Our fee for portfolio management services is based on a percentage of the assets in your account and is billed and payable, quarterly in arrears based on the average balance over the billing period. Our fee ranges from 1.00% to .65% and is based upon the amount of your assets under management and the duration of your agreement.

Our advisory fee may be negotiable, depending on individual client circumstances.

### **Fund**

Specific management fee and related expense information can be found in the prospectus for the Fund. The fees are based on the portion of assets managed by us, which are calculated by the Fund.

### **Additional Fees and Expenses**

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds (ETFs). The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or ETFs (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, ETFs, our firm, and others. For information on our brokerage practices, refer to the *Brokerage Practices* section of this brochure.

## **Item 6 Performance-Based Fees and Side-By-Side Management**

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of a capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains, or capital appreciation of, the funds in your advisory account.

## **Item 7 Types of Clients**

We offer investment advisory services to an exchange-traded fund and Separately Managed Accounts ("SMAs") for high net-worth individuals.

For SMAs, in general, we require a minimum of \$50,000,000 to open and maintain an advisory account. At our discretion, we may waive this minimum account size. For example, we may waive the minimum if you appear to have significant potential for increasing your assets under our management. Since clients have the ability to impose restrictions on their account, the advice the investment adviser may provide to you could be different or conflicting with other clients.

## Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

### Our Methods of Analysis and Investment Strategies

We use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

**Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

**Risk:** The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Technical Analysis** - involves studying past price patterns, trends and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities.

**Risk:** The risk of market timing based on technical analysis is that our analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

**Long-Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

**Risk:** Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

**Short-Term Purchases** - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

**Risk:** Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

**ESG Investing** - ESG Investing maintains a focus on Environmental, Social, or Governance issues. ESG investing may be referred to in many different ways, such as sustainable investing, socially responsible investing, and impact investing. ESG practices can include, but are not limited to, strategies that select companies based on their stated commitment to one or more ESG factors; for

example, companies with policies aimed at minimizing their negative impact on the environment, social issues, or companies that focus on governance principles and transparency. ESG practices may also entail screening out companies in certain sectors or that, in the view of the investor, demonstrate poor management of ESG risks and opportunities or are involved in issues that are contrary to the investor's own principals.

We invest in publicly listed equity securities of companies whose activities contribute to mitigating climate change. We assess a company's alignment to the EU Taxonomy and screen against alignment to a Climate Change Mitigation Objective. In addition, we engage with companies to also address carbon reductions (scope 1, 2 and 3 emissions).

We consider the manner in which portfolio companies address other ESG factors within day-to-day operations because company management of other ESG issues can be a leading indicator of long-term company performance. Certain social criteria, such as unsafe labor standards, may disqualify a company from investment.

We use RepRisk or comparable data providers to consider social issues in the context of our two primary objectives of profit maximization and activities that contribute to mitigating climate change when evaluated companies for the portfolio and take these considerations and issues into account in our approach to stewardship, engagement, responsible ownership and proxy voting policies.

**Risk:** "ESG Investing" is not defined in federal securities laws, may be subjective, and may be defined in different ways by different managers, advisers or investors. There is no SEC "rating" or "score" of ESG investments that could be applied across a broad range of companies, and while many different private ratings based on different ESG factors exist, they often differ significantly from each other. Different managers may weight environmental, social, and governance factors differently. Some ESG managers may consider data from third party providers which could include "scoring" and "rating" data compiled to help managers compare companies. Some of the data used to compile third party ESG scores and ratings may be subjective. Other data may be objective in principle, but are not verified or reliable. Third party scores also may consider or weight ESG criteria differently, meaning that companies can receive widely different scores from different third-party providers. A portfolio manager's ESG practices may significantly influence performance. Because securities may be included or excluded based on ESG factors rather than traditional fundamental analysis or other investment methodologies, the account's performance may differ (either higher or lower) from the overall market or comparable accounts that do not employ similar ESG practices. Some mutual funds or ETFs that consider ESG may have different expense ratios than other funds that do not consider ESG factors. Paying more in expenses will reduce the value of your investment over time.

**Trading** - We may use frequent trading (in general, selling securities within 30 days of purchasing the same securities) as an investment strategy when managing your account(s). Frequent trading is not a fundamental part of our overall investment strategy, but we may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk. This may include buying and selling securities frequently in an effort to capture significant market gains and avoid significant losses. Frequent trading is generally only used to add to or trim existing portfolio position weights in the portfolio in order to maintain what we view as the optimal portfolio construction.

**Risk:** When a frequent trading policy is in effect, there is a risk that investment performance within your account may be negatively affected, particularly through increased brokerage and other transactional costs and taxes.

## **Cash Management**

We manage cash balances in your account based on the yield, and the financial soundness of the money markets and other short-term instruments.

## **Tax Considerations**

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. An ETF has certain tax advantages (described in each fund's prospectus) for their shareholders. We will seek to utilize the tax advantages of the ETF structure, but we may still decide to trade even if it reduces or eliminates some of the tax advantages if we think the performance gains outweigh the tax consequences. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investment of your assets.

For SMAs, custodians and broker-dealers must report the cost basis of equities acquired in client accounts. Your custodian will default to the First-In First-Out ("FIFO") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

## **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

## **Other Risk Considerations**

When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential losses. The following risks may not be all-inclusive, but should be considered carefully by a prospective client before retaining our services.

**Climate Change Consideration Risk.** Applying climate change and other filters to the investment process may exclude securities of certain issuers for non-investment reasons and therefore we may forgo some market opportunities available to clients that do not use these criteria. As a result, at times, we may underperform funds that are not subject to similar investment considerations. Additionally, we will be more susceptible to events or factors affecting market segments that are focused on climate change solutions. Certain investments may be dependent on U.S. and foreign government policies, including tax incentives and subsidies, as well as on political support for certain environmental initiatives and developments affecting companies focused on sustainable energy and climate change solutions generally.

**Models and Data Risk.** The composition of the Fund's portfolio is dependent on proprietary investment models as well as information and data supplied by third parties ("Models and Data"). When Models and Data prove to be incorrect or incomplete, any decisions made in reliance thereon may lead to the inclusion or exclusion of securities from the Fund's portfolio that would have been excluded or included had the Models and Data been correct and complete.



**Depository Receipt Risk.** Depository receipts involve risks similar to those associated with investments in foreign securities and certain additional risks. Depository receipts listed on U.S. exchanges are issued by banks or trust companies and entitle the holder to all dividends and capital gains that are paid out on the underlying foreign shares ("Underlying Shares"). When we invest in depository receipts as a substitute for an investment directly in the underlying shares, we are exposed to the risk that the depository receipts may not provide a return that corresponds precisely with that of the underlying shares. We may invest in unsponsored depository receipts. The issuers of unsponsored depository receipts are not obligated to disclose material information in the United States and, therefore, there may be less information available regarding such issuers and there may not be a correlation between such information and the value of the depository receipts.

**Liquidity Risk:** The risk of being unable to sell your investment at a fair price at a given time due to high volatility or lack of active liquid markets. You may receive a lower price or it may not be possible to sell the investment at all.

**Credit Risk:** Credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond issuing entity can experience a credit event that could impair or erase the value of an issuer's securities held by a client.

**Inflation and Interest Rate Risk:** Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of a client's future interest payments and principal. Inflation also generally leads to higher interest rates which may cause the value of many types of fixed income investments to decline.

**Horizon and Longevity Risk:** The risk that your investment horizon is shortened because of an unforeseen event, for example, the loss of your job. This may force you to sell investments that you were expecting to hold for the long term. If you must sell at a time that the markets are down, you may lose money. Longevity Risk is the risk of outliving your savings. This risk is particularly relevant for people who are retired, or are nearing retirement.

**Cybersecurity Risk:** With the increased use of technology to conduct business, information security and related risks have increased. In general, cyber incidents can result from deliberate attacks or unintentional events, arise from external or internal sources, and may, among other things, cause a client account to lose proprietary information, suffer data corruption and/or destruction or lose operational capacity, result in the unauthorized release or other misuse of confidential information, or otherwise disrupt normal business operations. Cyberattacks include, but are not limited to: gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information; corrupting data, equipment or systems; or causing operational disruption. Cyberattacks are also carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users).

**New Adviser Risk.** Veridien has not previously managed an ETF Fund. As a result, there is no long-term track record against which an investor may judge. In addition, although we have retained third-party vendors (e.g., compliance services, operations, etc.), Veridien currently has limited resources, which may prevent it from being able to continue to provide advisory services if the principal becomes incapacitated. Over time, Veridien will augment its resources as market conditions permit. In addition, we regularly evaluate our business continuity plan to ensure continuity of operations and portfolio management should a disruption to operations occur.

## **Recommendation of Particular Types of Securities**

We recommend various types of securities and we do not primarily recommend one particular type of security over another since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment. A description of the types of securities we may recommend to you and some of their inherent risks are provided below.

**Stocks:** There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and, the overall health of the economy. In general, larger, better established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") are but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

## **Item 9 Disciplinary Information**

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

## **Item 10 Other Financial Industry Activities and Affiliations**

We have not provided information on other financial industry activities and affiliations because we do not have any relationship or arrangement that is material to our advisory business or to our clients with any of the types of entities listed below.

1. broker-dealer, municipal securities dealer, or government securities dealer or broker;
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund);
3. other investment adviser or financial planner;
4. futures commission merchant, commodity pool operator, or commodity trading adviser;
5. banking or thrift institution;
6. accountant or accounting firm;
7. lawyer or law firm;
8. insurance company or agency;
9. pension consultant;
10. real estate broker or dealer; and/or
11. sponsor or syndicator of limited partnerships.

We serve as an investment sub-adviser to an exchange-traded fund. This creates a potential conflict of interest because we could receive compensation as your investment adviser and as the investment sub-adviser to the Fund. This is mitigated by the fact that we will not accept an investment advisory fee from any client who we have directed to invest in the Fund. You should refer to the Fund's prospectus for a complete description of fees, investment objectives, risks and other relevant information associated with investing in the Fund. Refer to the *Investment Discretion* section below for additional disclosures on our discretionary authority to manage your investment account.

Certain of our Associated Persons, including executive officers of our firm, may also serve in a control capacity for the Fund. The compensation of these Associated Persons may be based, in part, upon the profitability of the Fund. Our relationship to the Fund may involve sharing or joint compensation, or separate compensation, subject to proper disclosures and the requirements of applicable law.

Veridien Global Investors LLC has common ownership with Veridien Capital Partners, LLC. Veridien Capital Partners, LLC serves as an affiliated solicitor for Veridien Global Investors LLC and their common owners have a conflict of interest in the fact that the common owners benefit from profitability from both entities when Veridien Capital Partners, LLC solicits clients for Veridien Global Investors LLC.

## **Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **Description of Our Code of Ethics**

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with Veridien are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, nonpublic information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

### **Participation or Interest in Client Transactions**

Neither Veridien nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

We serve as the investment sub-adviser to a registered investment company. This creates a potential conflict of interest because we could receive compensation as your investment adviser and as the investment sub-adviser to the Fund. This is mitigated by the fact that we will not accept an investment advisory fee from any client who we have directed to invest in the Fund. Additionally, individuals associated with our firm may buy or sell - for their personal account(s) - investment products identical to those purchased by the Fund, or an SMA. This practice may create a conflict of interest because we have the ability to trade ahead of the Fund and potentially receive more favorable prices than the Fund will receive. To mitigate this conflict of interest, it is our policy that neither Veridien nor our Associated Persons shall have priority over the Fund or our SMA accounts in the purchase or sale of securities.

## **Item 12 Brokerage Practices**

Under most arrangements, Veridien has the freedom to decide which broker-dealer to be used and to negotiate the amount of commissions to be paid when directing security transactions. As part of its fiduciary responsibilities, Veridien seeks best execution given the circumstances of each transaction. When Veridien selects broker-dealers to execute transactions, it takes into consideration the range and quality of a broker's services, including but not limited to, execution capability, trading expertise, accuracy of execution, commission rates, research, reputation and integrity, fairness in resolving disputes, financial responsibility, and responsiveness. The determinative factor is not solely the lowest

possible commission cost, but whether the transaction represents best overall qualitative execution under the circumstances. Under the guidance of the Chief Compliance Officer, Veridien evaluates the trade performance and best execution of all approved broker-dealers.

#### **Research and Other Soft Dollar Benefits**

We do not have any soft dollar arrangements.

#### **Economic Benefits**

We could have access to the institutional platform of your account custodian. As such, we could also have access to research products and services from your account custodian and/or other brokerage firm. These products may include financial publications, information about particular companies and industries, research software, and other products or services that provide lawful and appropriate assistance to our firm in the performance of our investment decision-making responsibilities. Such research products and services are provided to all investment advisers that utilize the institutional services platforms of these firms, and are not considered to be paid for with soft dollars. However, you should be aware that the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts another broker who did not provide research services or products might charge.

#### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

#### **Directed Brokerage**

In limited circumstances, and at our discretion, some clients may instruct our firm to use one or more particular brokers for the transactions in their accounts. If you choose to direct our firm to use a particular broker, you should understand that this might prevent our firm from aggregating trades with other client accounts or from effectively negotiating brokerage commissions on your behalf. This practice may also prevent our firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

#### **Aggregated Trades**

We may combine multiple orders for shares of the same securities purchased for clients we manage (this practice is commonly referred to as "aggregated trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. Generally, participating accounts will pay a fixed transaction cost regardless of the number of shares transacted. In certain cases, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs on any given day. In the event an order is only partially filled, the shares will be allocated to participating accounts in a fair and equitable manner, typically in proportion to the size of each client's order. Accounts owned by Veridien or persons associated with our firm may participate in aggregated trading with your accounts; however, they will not be given preferential treatment.

We do not aggregate trades for non-discretionary accounts. Accordingly, non-discretionary accounts may pay different costs than discretionary accounts pay. If you enter into non-discretionary arrangements with our firm, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than clients who enter into discretionary arrangements with our firm.

## **Item 13 Review of Accounts**

We will monitor accounts on an ongoing basis and will conduct account reviews at least quarterly, to ensure the advisory services provided are consistent with the stated investment needs and objectives of our clients. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals;
- year-end tax planning;
- market moving events;
- security specific events; and/or
- changes in your risk/return objectives.

We will not provide you with regular written reports. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

The Fund, sub-advised by Veridien, receives reports as requested by its Board or as required by relevant laws.

## **Item 14 Client Referrals and Other Compensation**

We directly compensate non-employee (outside) consultants, individuals, and/or entities (solicitors) for client referrals. In order to receive a cash referral fee from us, promoters must comply with the requirements of the jurisdictions in which they operate. If you become a client, you will not pay additional fees because of this referral arrangement. Referral fees paid to a promoter are contingent upon your entering into an advisory agreement with us and paid out of the fees we charge you. Therefore, a promoter has a financial incentive to recommend us to you for advisory services. This creates a conflict of interest for the promoter in referring you to us; however, you are not obligated to retain us for advisory services. Comparable services and/or lower fees may be available through other firms.

Promoters that refer business to more than one investment adviser may have a financial incentive to recommend advisers with more favorable compensation arrangements.

## **Item 15 Custody**

Veridien does not maintain physical possession of client cash and/or securities. However, pursuant to Rule 206(4)-2 of the Advisers Act, Veridien is deemed to have custody of client funds because it has the authority and ability to debit its management fees directly from certain client accounts. To mitigate any potential conflicts of interests due to this arrangement, all client account assets are maintained with an independent, non-affiliated qualified custodian. Clients should receive at least quarterly statements from the qualified custodian that holds and maintains investment assets. We urge clients to carefully compare the account statements received from custodians with the reports we provide.

## **Item 16 Investment Discretion**

Veridien performs its investment advisory services on a discretionary basis, unless otherwise agreed upon at the inception of the client relationship and memorialized in the written agreement between Veridien and the client. This discretionary authority provides Veridien with the sole discretion to invest and reinvest the assets of its clients without prior consultation with the client. The client also agrees that Veridien will manage, on a continuing basis, the client's account in what Veridien perceives to be

the client's best interest. This will include, among other things, the authority to select the broker-dealer to be used and the commission rates to be paid for all transactions. Any particular aspect of this authority may be restricted pursuant to a specific, written instruction from the client.

## **Item 17 Voting Client Securities**

We will determine how to vote proxies based on our reasonable judgment of the vote most likely to produce favorable financial results for you. Proxy votes generally will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the issuer's board of directors and management, and maintain or increase the rights of shareholders. Generally, proxy votes will be cast against proposals having the opposite effect. However, we will consider both sides of each proxy issue.

We use RepRisk and/or comparable data providers to consider social issues and Sustainalytics and/or comparable data providers to consider environmental issues when evaluating companies for the portfolio and will take these considerations and issues into account in our approach to stewardship, engagement, responsible ownership and proxy voting policies.

In the event you wish to direct our firm on voting a particular proxy, you should contact our main office at the phone number on the cover page of this brochure with your instructions.

Conflicts of interest between you and our firm, or a principal of our firm, regarding certain proxy issues could arise. If we determine that a material conflict of interest exists, we will take the necessary steps to resolve the conflict before voting the proxies. For example, we may disclose the existence and nature of the conflict to you, and seek direction from you as to how to vote on a particular issue; we may abstain from voting, particularly if there are conflicting interests for you (for example, where your account(s) hold different securities in a competitive merger situation); or, we will take other necessary steps designed to ensure that a decision to vote is in your best interest and was not the product of the conflict.

We keep certain records required by applicable law in connection with our proxy voting activities. You may obtain information on how we voted proxies and/or obtain a full copy of our proxy voting policies and procedures by making a written or oral request to our firm.

## **Item 18 Financial Information**

Veridien does not require or solicit prepayment of any fees six months or more in advance and does not have any financial condition that would impair its ability to meet contractual commitments to clients or investors.