



**Brochure on Form ADV Part 2A**  
**2Xideas US Inc.**

CRD # 328190  
SEC File #

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This Brochure provides information about the qualifications and business practices of 2Xideas US Inc. If you have any questions about the contents of this Brochure, please call + 1 929 755 6260 or e-mail [info.us@2Xideas.com](mailto:info.us@2Xideas.com). The information in this Brochure has not been approved or verified by the Securities and Exchange Commission ("SEC") or by any state securities authority.

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

Registration with the SEC does not imply a certain level of skill or training.

We do not have retail or consumer clients, so we do not have or file Form CRS.

**ITEM 2: Material Changes**

This is the annual amendment to our Brochure, the first amendment since we last filed this document on November 14, 2023. We have the following material changes to disclose:

- We became an SEC registered investment adviser on November 7, 2023;
- Christof Fischer is no longer our CEO and CCO. James Ryan is now our CEO and Karalyn Hutton is now our CCO.
- As of the date of this Brochure, our regulatory assets under management are \$249,131,578.

We will amend our Brochure annually and when there are material changes.

**ITEM 3: Table of Contents**

ITEM 2: Material Changes .....	2
ITEM 3: Table of Contents.....	3
ITEM 4: Advisory Business .....	4
ITEM 5: Fees and Compensation .....	4
ITEM 6: Performance-Based Fees and Side-By-Side Management .....	5
ITEM 7: Types of Clients.....	5
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss.....	5
ITEM 9: Disciplinary Information .....	10
ITEM 10: Other Financial Industry Activities and Affiliations .....	10
ITEM 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	11
ITEM 12: Brokerage Practices .....	12
ITEM 13: Review of Accounts.....	13
ITEM 14: Client Referrals and Other Compensation.....	13
ITEM 15: Custody .....	13
ITEM 16: Investment Discretion.....	13
ITEM 17: Voting Client Securities.....	13
ITEM 18: Financial Information.....	14

**ITEM 4: Advisory Business**

2Xideas US Inc. is a company incorporated in January 2020 in New York with its principal address and place of business in New York City. We are an SEC registered investment adviser.

We are a wholly owned subsidiary of 2Xideas AG, a Swiss-based asset manager. We have four employees. Mr Ryan is our Chief Executive Officer (“CEO”) and Ms Hutton is our Chief Compliance Officer (“CCO”). The members of our Board of Directors are Daniel Sigg and Stephan Welti. Our Related Persons are named in our Form ADV Part 1 Schedule D.

Our purpose is to create value for our clients with a long-term investment strategy. We focus on an investment universe of liquid exchange-traded equity securities, primarily mid cap and large stocks, and we do not invest client assets in bonds, warrants, options, mutual funds, private funds, derivatives, or precious metals. Uninvested cash is invested in exchange-traded ETFs. We do not hedge portfolios.

Clients do not receive side letters, preferential redemptions or other types of agreements. We do not solicit or take unsolicited orders from clients to buy or sell securities.

Currently, we have one client, our parent 2Xideas AG, for whom we are a non-discretionary sub-adviser, with \$249,131,578 assets under management (“AUM”) with respect to the research and advice that we provide to it for it to use. We intend to, and will, manage the assets of unaffiliated clients in separately managed accounts (“SMAs”).

At the outset of every client relationship, we conduct due diligence and sign an investment management agreement (“Mandate”) that documents their investment objectives, strategy, risk profile, restrictions and fees. We review this regularly.

We do not participate in wrap fee programs.

**ITEM 5: Fees and Compensation**

A client pays us a management fee (“Fee”) for the SMA discretionary investment management services that we provide. We do not charge a performance fee. Our Fee is based on the total value of client assets under management (“AUM”). Our Fee is based upon one percent (1%) of AUM, and we reserve the right to negotiate a different fee based upon the size of the account. For the non-discretionary sub-advisory services that we provide to 2Xideas AG, we receive, quarterly, a fee equal to 1.2 times the cost of our personnel (a margin of 20%) plus VAT, if applicable.

Fees are calculated and invoiced to a client quarterly in arrears. Each client custodian values client assets. We use the custodian valuation to calculate our Fee. Because we calculate the Fee, this is a conflict of interest and we address (mitigate) this by having our auditors, when they conduct our

annual audit, review our fee calculation methodology and sample calculations. We do not have the authority to take our Fee from a client's account. We send an invoice to the client and the custodian and the custodian, acting upon the client's instructions and authority, deducts our fee from the client account and pays us against the invoice. Clients must review the invoice to verify the Fee and its calculation and reconcile this to information in the account statement issued by the custodian.

Apart from our Fee, clients pay charges imposed by custodians, brokers and other third-party service providers. These include, but are not limited to, brokerage commissions, transaction fees, custodian fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer, stamp duty (if applicable), electronic fund fees, management fees and other fees and taxes on brokerage accounts and securities transactions.

Mandates are terminable at will by either party at any time. In the case of any termination, our Fee will be calculated on a *pro rata* basis through the date of termination.

We, our Supervised Persons and our Related Persons do not receive any form of compensation as broker or agent for the sale of securities, funds or other investment products.

#### **ITEM 6: Performance-Based Fees and Side-By-Side Management**

We do not charge our clients a performance fee, so we do not engage in side-by-side management.

#### **ITEM 7: Types of Clients**

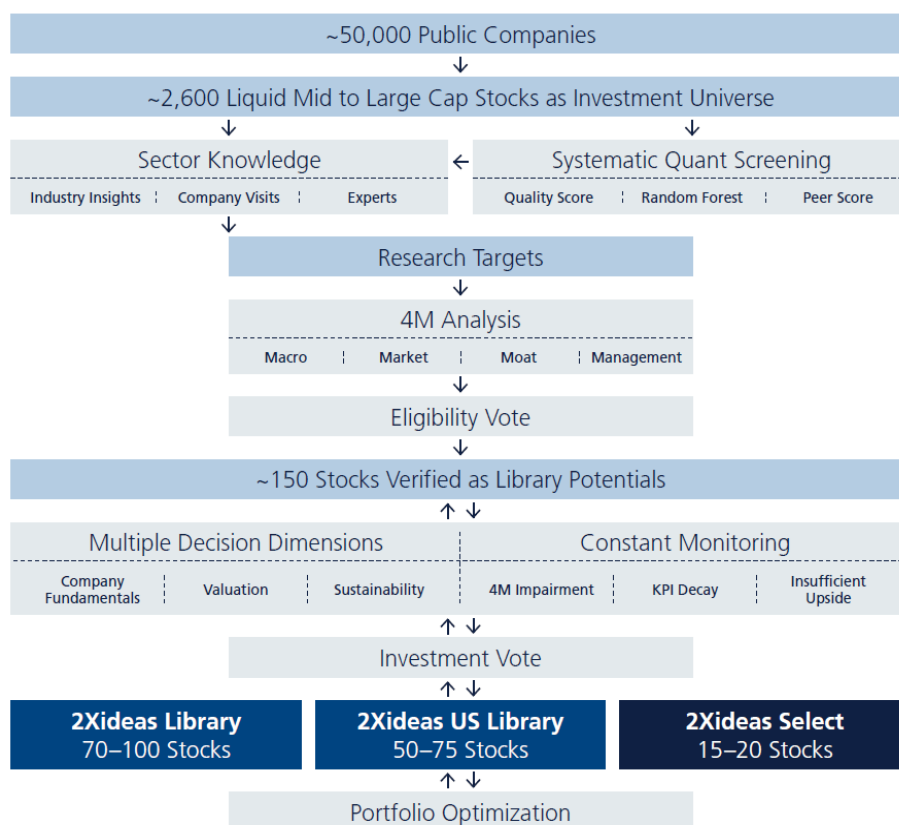
Our Clients are endowments, family offices, pension assets (ERISA and non-ERISA), corporations, trusts, foundations, and other investment managers. 2Xideas AG is a non-discretionary sub-advisory client with respect to the research and advice that we provide to it for it to use for certain of its clients. We do not have a minimum amount of AUM to open an account. We do not accept retail or consumer clients.

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

##### Investments, Methods of Analysis, Research, Investment Philosophy and Investment Strategies

We define our investment universe as the equity securities that are listed on a regulated stock exchange with a market capitalization of USD 2-100 billion and a median (over the previous 365 days) daily trading volume of at least USD 10mn (liquid mid to large caps). This leads to a universe of approximately 3,000 exchange-traded liquid mid to large cap equity securities.

Our Participating affiliates, for the research, advice and recommendations that they provide to us, organize their research into five core sectors: Consumer; Financials; Health Care; Industrials; and Technology. They focus on markets with attractive economics and sustainable growth, screening for the most promising companies, selectively promoting them to research targets. Sector knowledge is constantly extended with company visits, management calls, and expert interviews.



We and our Participating Affiliates use a team approach to discuss advice and recommendations in a group Investment Decision Committee, but the research and advice that we provide to 2Xideas AG as a non-discretionary investment adviser are separate from this. We set our client strategies, voting rules, voting restrictions, asset allocation and limitations, make the final investment decision and place an order.

We favor companies with strong business quality, targeting sustainable and profitable growth, rather than high growth alone. We believe that a company's share price follows earnings-per-share growth over the long term. We want to participate in that growth in the most attractive part of the S-Curve<sup>1</sup>, and which point companies often have a starting market capitalization in the USD 2–30bn range. Whenever possible we try to initiate a position at this "mid cap" level.

We benchmark performance using the MSCI ACWI Net Return index for our global strategies. We benchmark performance using the MSCI USA Mid Cap Net Return index for our U.S. strategy. We continuously review all steps of our investment process for potential improvements.

<sup>1</sup> Stages are early stage, growth, maturity and decline.

We score companies in our proprietary 4M Analysis.

**Verifying business quality, growth prospects, and sustainability  
in a standardized way across sectors and countries**

**Macro** – Resilience to external forces

- Potential to outgrow GDP
- Dependence on economic cycle
- Exposure to external factors
- Environmental / Climate



**Market** – Attractive market and positioning

- Runway for growth
- Visibility of demand
- Market share
- Competitive dynamics
- Switching costs



**Moat** – Defending the market position

- Economies of scale or scope
- Sustainable lead in asset, process or technol.
- Patents, licenses, certifications & approvals
- Network effects
- Culture
- Brand



**Management** – Competence & Integrity

- Leadership
- Execution
- Resource allocation
- Social
- Governance



We perform fundamental analysis on the research targets following the 4M Analysis framework, where we analyze and rate the following attributes with a score from 1 (bad) to 5 (great): potential to outgrow GDP over five to seven years; dependence on economic cycle; exposure to external factors; and environmental/climate. We look for companies whose success is not overly dependent on volatile and unpredictable Macro factors. We are wary of highly cyclical businesses and exclude companies whose revenues are directly linked to commodity prices, which can be strongly affected by regulatory or political interference, or that are significantly exposed to transitional and physical environmental risks. Ideally, the companies can profit from a structural tailwind and have the potential to grow revenues ahead of global GDP.

We keep our strategies diversified across countries, sectors, and business models. Due to our investment philosophy focus on mid cap stocks with quality growth characteristics, we may experience certain periods when risk metrics surpass those of the index, especially in times when lower growth “value” stocks are outperforming.

We consider that our investment strategy is unique for the following reasons.

- Focus on mid-caps: there are a large number of mid cap companies and large dispersion between them in terms of business quality and growth prospects. We consider this an ideal opportunity set to add value through active stock picking. It helps investors in terms of diversification as those companies each have a minimal weight in passive investment products.
- Long-term investment horizon: Investing early means that we can participate in value creation of outstanding companies for a long time.
- We combine human expertise and quantitative methods in a highly structured investment process centered around collective intelligence, which means that there is no key person risk. We have built the firm and the investment process to outlast any individual. This means that investors can potentially stay invested forever, which is often not the case with other managers.

### ACE

The ACE platform enables and supports our core workflows, such as research, CRM, and intranet. We see ACE as part of our competitive advantage, and we are continuously adding new features.

Strategies

We offer our clients three investment strategies: Global Mid Cap Library (60% covers U.S. equity securities); U.S. Mid Cap Library; and Global Mid Cap Select. Within each of these, we map out the most attractive industries (“focus areas”) and then identify the most attractive companies. We use company visits and expert interviews to come up with new focus areas or stand-alone stock ideas. We have developed a systematic quant screening with three different scoring mechanisms to generate ideas and a workflow around it. The investment process is covered end to end in ACE.

*Global Mid Cap Library (around 60% is comprised of U.S. equity securities):* The investment objective of this strategy is long-term capital growth. In order to achieve this objective, the strategy invested in at least 70 equity securities. The investment universe comprises equity securities of mid and large cap companies listed on a regulated stock exchange. In general, these securities shall be issued by companies having a market capitalization of at least USD 2 billion (or an equivalent value in another currency). The investments may be worldwide and in any currency. Foreign exchange risk is not hedged. The recommended investment horizon is at least five years. This strategy is only suitable for risk-oriented clients having a basic knowledge of listed equity securities and the ability to bear losses. Clients should consider their own personal circumstances and seek additional professional advice on their risk tolerance and investment horizon before pursuing this strategy.

*U.S. Mid Cap Library:* The investment objective of this strategy is long-term capital growth. The investment universe comprises equity securities of mid and large cap companies listed on a regulated stock exchange. In general, these securities shall be issued by companies having a market capitalization of at least USD 2 billion (or an equivalent value in another currency). The investments will be focused on the equity securities of U.S. listed companies as defined by MSCI Inc. A maximum of 20% of the portfolio can be invested in non-U.S. companies deriving a substantial part of their revenues from the United States. Investments in companies that are part of the MSCI Emerging Markets Index are not permitted. Foreign exchange risk is not hedged. The recommended investment horizon is at least five years. This strategy is only suitable for risk-oriented clients having a basic knowledge of listed equity securities and the ability to bear losses. Clients should consider their own personal circumstances and seek additional professional advice on their risk tolerance and investment horizon before pursuing this strategy.

*Global Mid Cap Select:* The investment objective of this strategy is long-term capital growth. In order to achieve this objective, the strategy is invested in a concentrated portfolio of 10-30 equity securities. The investment universe comprises equity securities of mid and large cap companies listed on a regulated stock exchange. In general, these securities are issued by companies having a market capitalization of at least USD 2 billion (or an equivalent value in another currency). The investments may be worldwide and in any currency. Foreign exchange risk is not hedged. The recommended investment horizon is at least five years. This strategy is only suitable for risk-oriented clients having a good knowledge of listed equity securities and the ability to bear losses. Clients should consider their own personal circumstances and seek additional professional advice on their risk tolerance and investment horizon before pursuing this strategy.



Expert Network

We make use of expert networks. Prior to entering into an agreement with an expert network, we conduct and document appropriate due diligence. All agreements must be reviewed by our group Risk & Compliance Committee and receive legal and compliance clearance prior to execution, particularly in relation to compensation and the representations and warranties provided therein. We rely upon the practices employed by the expert network firm to ensure the experts understand the definition of material non-public information ("MNPI"), and that the experts have agreed not to misuse, trade on or disclose any such information, or any other information that is confidential in the consultation with us. Transcripts from the expert network calls are reviewed by our and the expert networks' compliance team and action is taken promptly for any issues that are identified.

Sustainability

As a long-term investor, we are dedicated to acting responsibly and sustainably. An essential element of our corporate philosophy, our commitment to sustainability is evident in every aspect of our business. Our research and investment process incorporates an environmental, social, and governance (ESG) assessment in evaluating candidate companies. Our 4M Analysis integrates our sustainability policy. We believe that companies can improve their long-term risk and return profile by effectively monitoring and managing their ESG risks and opportunities. Incorporating ESG assessment contributes to our effort to identify stocks that can double (2X) over five to seven years. We exercise our rights via proxy voting along a sustainability benchmark and communicate our voting activities to investors transparently upon request.

Our parent 2Xideas AG is a signatory to the UN Principles for Responsible Investment.

**Clients must understand that the value of their investments may increase or decrease and that they can lose some or all of their invested assets.**

Risk is defined as the probability that the current result of a business activity will deviate from the planned result. The size of the risk is measured by the significance and by the probability of the occurring deviation. The deviation from the expected result can be either positive or negative. The identification of risks and their management is one of our permanent tasks. Identified risks are divided into two main categories: risks to which our business activity is or could be exposed to; and risks to which clients and their assets could be exposed.

*Market risk:* this is the risk of loss resulting from fluctuations in the value of an asset caused by changes in price-determining factors such as equity or commodity prices, exchange rates and interest rates. In addition, market risks can also arise from increasing competition in the industry. We follow a long-term investment strategy in order to profit from the risk premiums in the equity markets. Thus, market volatility is acceptable and not managed. We limit the impact of such market volatility as follows: diligent selection of clients and risk disclosures; pro-active support of clients, in particular, in times of increased market volatility; sound portfolio construction and active management of the portfolios.

*Credit risk:* this is the risk of loss resulting from a counterparty defaulting on its payment obligations or from a decrease in the value of financial instruments issued by a third party. This applies in particular to the investment of own funds in equity securities, interest rate instruments, units in

collective investment schemes or fixed-term deposits. We mitigate this by not investing our own funds into such instruments and monitoring client positions.

*FX risk:* Foreign exchange risk is defined as the risk arising from uncertainty about future exchange rate developments when investing in securities denominated in currencies other than SMA' Reference Currency. As the assets of the SMA are valued in its Reference Currency, changes in the value of the Reference Currency compared to other currencies will affect the value, in the Reference Currency, of any securities denominated in such other currencies. In accordance with the Mandate, we may attempt to hedge or reduce foreign exchange risk.

*Liquidity risk:* this is the risk of loss resulting from the fact that invested securities cannot be sold or can only be sold at a price that is too low or cannot be liquidated quickly enough. To address this, we only invest in liquid equity securities with daily trading volumes of generally well above USD 10 million. Liquidity risks might arise with growing AUM. The days needed to liquidate positions with low market impact is monitored and reviewed regularly.

*Strategic risks and business risks:* these refer to the danger of unexpected losses resulting from wrong strategic decisions. Among other things, the environment in which we operate and work for our clients, economic cycles, industry cycles, industry developments and technological changes all have an impact. Business risks also include the failure to take appropriate measures in the event of declining revenues, which cannot be offset by cost reductions or other mechanisms. To address this, we systematically incorporate these risks into the planning and budgeting cycle. Business risks as well as strategic risks evaluated and addressed by the management. They inform our Board of Directors of any relevant incidents that might occur. In addition, the strategic orientation is regularly discussed at Board of Directors' meetings.

*Counterparty risk:* this is the risk of loss resulting from a counterparty failing to meet its service obligations. To address this, counterparties are carefully selected and periodically reviewed.

#### **ITEM 9: Disciplinary Information**

We have nothing to report.

#### **ITEM 10: Other Financial Industry Activities and Affiliations**

We are not registered as a broker-dealer. We are not registered as a commodity pool operator or a commodity trading adviser.

We have five Related Persons, named in our Form ADV Part 1 Schedule D. They are our parent 2Xideas AG (Pfäffikon, Switzerland), 2Xideas Europe Ltd. (Dublin, Ireland), 2Xideas Switzerland AG (Küsnacht, Switzerland), 2Xideas Asia Limited (Hong Kong) and 2Xideas Europa AG (Vaduz, Liechtenstein). Each is a Participating Affiliate and has signed a Participating Affiliate Agreement ("PAA") with us under which we receive research, advice and recommendations that we use for our clients. The PAA is based upon no-action letters issued by the SEC Staff. The individuals that perform services for us under the PAAs are Michael Stutz, Henrik Munk Nielsen, Jürg Schättli, Peter Wick, John Kelly, Pedro Guerra, Manual Graça, Anastasios Tafakis, Rajvir Visen-Singh, Ricco Friedrich, Fikret

Avni, Mert Gulleroglu, Claudia Collin, Andrei Kiselev, and Gregoire Serre. Each is an Associated Person and subject to certain compliance controls, including record retention, Code of Ethics personal account trading compliance and the provision of records to the SEC when and as required.

Each Related Person engages in discretionary investment management services for its clients, which are funds and SMAs. They use for these the research, advice and recommendations that we provide. There is no cross trading between their clients and ours. The research, advice and recommendations that we provide do not include the universe of stock-specific research, advice and recommendations that we receive from them. All trading and portfolio management activity is handled separately and behind information barriers.

Under the terms of a non-discretionary sub-advisory investment management agreement, we provide securities-specific research and advice to 2Xideas AG for it to use for its clients. This research, advice and recommendations is separate from and unrelated to the securities-specific research, advice and recommendations that our Participating Affiliates provide to us. We monitor and test to ensure the separation of our activities from those of our parent company and the other Participating Affiliates with respect to these activities.

Under the terms of a service agreement with 2Xideas AG, we receive certain non-investment related services including financial accounting services (accounting and controlling), human resource (personnel administration including payroll accounting), and IT services and infrastructure.

Mr Welti, a Director, holds an office with 2Xideas AG, one of our Related Persons. Dual or multiple roles are conflicts of interest. To address the conflicts of interest involved, we require Mr Welti to declare conflicts of interest, recuse himself from discussions and voting or certain decision-taking at our Board of Directors meetings and not engage in any activity what 2Xideas AG that would create a conflict of interest with us and our activities.

All conflicts of interest and the means to address (mitigate) them are recorded in our Conflicts Log.

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

We are a fiduciary and owe our clients duties of loyalty and care. We have adopted a Code of Ethics under Advisers Act Rule 204A-1. Under our Code, our officers, partners, employees and staff are both Supervised Persons and Access Persons. Our Code sets ethical standards of conduct and a requirement to comply with the federal securities laws. It has policies and procedures that are designed to address the conflicts of interest associated with the personal dealing activities ("PAD") of our Access Persons. PAD requirements include pre-clearance and reporting requirements of our Access Persons and the Associated Persons of our Participating Affiliates (reports for initial holdings, annual holdings and quarterly transactions). We have a Restricted List that we use to prevent PAD at certain times in our portfolio management cycle. Other policies and procedures address outside activities (whether or not a conflict of interest is involved, requires disclosure and, in certain instances, clearance), giving or receiving gifts, entertainment or inducements, prevent the misuse of MNPI and Confidential Client Information (defined in our Code). Our Code prevents U.S. local and state political contributions and lobbying activities. Supervised Persons receive and acknowledge receipt of our Code and must report promptly any suspected violations of our Code. We review all

Code activities at least quarterly to ensure compliance with our Code and all other relevant policies and procedures and will act in the event of issues arising.

A copy of our Code of Ethics is available upon request.

#### **ITEM 12: Brokerage Practices**

As discussed in Item 8, we develop and use our own research. Also, we receive research, advice and recommendations from our Participating Affiliates, identified in Item 10.

We do not permit clients to select brokers for which we would trade for their account. We do not solicit or take client orders to buy or sell securities.

We conduct research on an active basis. We trade client portfolios quarterly at the beginning of the quarter in line with our strategies and Mandates. or during the quarter in case of material changes in the market environment or individual equity securities. We also trade to onboard client portfolios.

We do not seek or receive an incentive from a broker or counterparty for client referrals.

We are required to comply with best execution requirements, which is to seek the best price available considering all relevant circumstances. We do not select brokers or counterparties to place orders for our clients. We route orders to Instinet LLC, an SEC registered broker-dealer, to buy or sell securities on an agency basis, primarily at market close or VWAP. We require it to provide us with its best execution policies and procedures and execution at a standard consistent with those, which we use to discharge our duty of best execution. Monthly, we require Instinet to provide us with information necessary to determine whether it is receiving best execution, including its analysis of how it has achieved best execution.

We do not seek or receive benefits from brokers in connection with securities transactions, a soft dollar relationship. We do not rely upon the safe harbor of Section 28(e) of the Securities Exchange Act of 1934. We do not accept third party inducements (fees, commissions or monetary and non-monetary benefits) in relation to the provision of services to our clients.

When trading the same security at the same time for more than one client or account, we will aggregate orders and submit a single block order for execution. We aggregate where we reasonably believe that this is in clients' best interests or to provide equitable treatment. Such aggregation may enable us to obtain a more favorable price or a better commission rate based upon the terms and size of that particular transaction. This may work to the advantage or disadvantage of a client. We allocate securities before the order is placed, pre-trade allocation, specifying the participating accounts and amount each client is to receive. We may adjust the initial pre-trade allocation to arrive at a final pre-trade allocation based upon factors such as available cash and rounding up or down (odd lots or whole amounts). Post-trade, securities are promptly allocated to client accounts in accordance with the final pre-trade allocation. Adjustments or changes may only be made to pre-allocations under certain circumstances, such as to avoid odd lots or excessively small allocations, with the written approval of the CEO.

If an order is filled at different prices in multiple trades, clients receive the volume-weighted average price and pay the average commission. If an aggregated order is partially filled, securities or proceeds are allocated in a manner proportionate to the pre-trade allocation.

We do not engage in cross trades, where one client sells securities to another client. We do not trade for our own account or cause a client to buy, hold or sell the private funds advised by our related Persons.

When we identify a trade error or a breach in trading, we address that promptly to ensure that the client is not disadvantaged. We bear losses, clients receive gains and we do not net gains against losses. We do not compensate clients for lost investment opportunities.

#### **ITEM 13: Review of Accounts**

Daily, we review client portfolios. Monthly we perform trading and investment objectives checks. Custodians provide clients with a statement of account monthly or quarterly.

#### **ITEM 14: Client Referrals and Other Compensation**

We do not have arrangements with any third party to solicit or refer prospects to us.

#### **ITEM 15: Custody**

We do not have custody under Advisers Act Rule 206(4)-2.

#### **ITEM 16: Investment Discretion**

We provide investment advisory services on a discretionary basis. The Mandate sets out the scope of discretion, asset allocation, permissible investments, and investment restrictions. This gives us the authority to determine the securities to be purchased or sold (subject to restrictions). For our one non-discretionary sub-advisory client, 2Xideas AG, we review activities at least by-weekly.

#### **ITEM 17: Voting Client Securities**

When an account is opened, we document client investment objectives and restrictions for proxy voting. Where a client instructs us to do so, we vote proxies and vote corporate actions. We disclose conflicts of interests involved in proxy voting and the means to address (mitigate) them. We record how a client does or does not wish us to vote and the scope of voting arrangements. Unless a client affirmatively requests us to vote proxies and provides us with parameters to vote, we do not vote.

We have adopted and implemented written policies and procedures regarding proxy voting as required under Rule 206(4)-6 under the Advisers Act. This requires us to adopt written policies and procedures reasonably designed to ensure that proxies with respect to securities in client accounts where we vote are voted in the best interests of our client, disclose how information may be obtained on how we vote proxies and maintain records relating to our proxy voting.

We receive information from the custodian that is solicited for securities held in the client's account, consider the proposals and vote in the best interests of the client. In certain circumstances, after

doing a cost-benefit analysis, we may choose not to vote where the cost of voting would exceed any anticipated benefits to the client of the proposal. We work within client agreed parameters. While corporate actions are closely monitored and proposals are carefully considered, on occasion it may not be possible, or be in the client's best interests, for us to vote proxies concerning, for example, corporate actions. This may be because (these are not exclusive factors): the size of the clients and of the positions held may mean it is uneconomic and not in the client's best interests to vote; portfolio management strategies may mean that positions are held on a short-term basis and the periods of ownership may not give rise to voting rights; or the client's investment profile may mean that it is not in the best interests of the client to "block shares" for a certain period as the client may wish to be able to dispose of those at any time.

We use our discretion and judgment in deciding whether it is in the best interests of our clients to vote proxies on a case-by-case basis. All issues are considered on a case-by-case basis in the best interests of our clients. We do not adopt a set of proxy voting policies indicating which way we vote on a particular issue.

We partner with ISS, a proxy voting service provider. We receive proxy material, research and vote recommendations from it reflecting proxy voting policy directions. Voting decisions also reflect our own research.

Our proxy voting procedures consider the recommendations of ISS. We will as a general rule vote in line with these. However, we may disagree with ISS recommendations if they are not aligned with our in-depth knowledge of a company and its management or a client's best interests.

Where we vote proxies, we will determine on a case-by-case basis what course of action is in the best interests of the client. We will ensure that we obtain, review and retain a copy of the proxy materials or request for instructions received and a copy of the instructions and any other documentation. We keep a record of why the proxy was provided or sought and why the decision was taken to vote or not vote. Copies of the proxy, with the decision to vote or not vote the proxy, are retained and monitored.

We monitor compliance with this policy and address discrepancies as required.

For information on how proxies were voted, contact our CCO, details as noted above. Clients and prospects may obtain a copy of our proxy voting policies and procedures upon request.

#### **ITEM 18: Financial Information**

We have nothing to report.