



ACM EUROPE LIMITED

ENGAGEMENT POLICY

FEBRUARY 2026

Introduction

This policy sets out ACM Europe Limited's ("ACM") approach to engagement and voting. This policy is designed to comply with the EU Shareholder Rights Directive 2 and other relevant rules including the UK Conduct of Business Sourcebook rules and UK's 2020 Stewardship Code.

Our approach to engagement

As an active investment manager, deploying capital in public and private markets, we have concluded that generating returns over the long term is more sustainable than focusing on short-term gains. We believe there are two mutually reinforcing strands of responsible investment management: responsible investment and responsible ownership. Together, these aims generate sustainable wealth creation for the end beneficiary investor, encompassing investment returns and their social and environmental impact.

As responsible investors, we embrace high-active-share investing. We take a holistic approach that integrates material environmental, social and governance ('ESG') considerations and engagement insights alongside traditional fundamental performance factors into all our investment products, something that offers our fund managers with an additional vantage point to assess an asset's potential to deliver long-term sustainable wealth.

We firmly believe that our ability to mitigate ESG risks and capture the investment opportunities arising from these considerations is essential to achieving consistent investment outperformance for our clients. We define stewardship as the use of influence by investors to maximise long-term value, including the value of economic, social, and environmental assets on which returns, and client and beneficiary interest depend.

As responsible owners of the assets we manage on behalf of our clients, we actively engage in dialogue with companies and other assets on all long term performance factors including material ESG issues. We believe that this is essential to build a global financial system that delivers improved long-term returns for investors, as well as better, more sustainable outcomes for society.

In line with our sustainable wealth creation fund objectives, our engagement is outcomes-driven and focused on ensuring that the assets we invest in are creating wealth sustainably.

As private equity GPs, transforming companies is a fundamental part of our business model and a key way that we deliver value. By the simple nature of their investment style and deal/ownership structure, private equity GPs frequently have significant influence over their investments and thus a high capacity to make a lasting impact on the economic, environmental and social value of their portfolio companies.

How ACM integrates engagement in its investment strategy

We integrate ESG considerations and engagement insights into our investment processes for those mandates or products with a Sustainable objective. This enables us to develop a more comprehensive view of both the risk and opportunities, to which a company is exposed and to factor this into valuations and investment decisions.

Research and analysis by our investment teams includes evaluation of performance on strategy, financials, risk, material ESG factors, and the overlaps between these elements. Engagement with company management, boards, subject specialists and other shareholders and stakeholders is a key input into this process and investment strategy. The public market teams have access to reports on shareholder engagement with investee companies and the broader investable universe and may take such information into account when making investment decisions.

We believe that ESG-aware investors should not rely on ESG data alone, as it is often backward looking and updated infrequently and with a time lag. As such, engagement and – for equities – voting activities can be used by our teams to provide a forward-looking view of ESG and broader performance of a company or asset.

In private markets, depending on the ownership structure of the individual investments, as a responsible steward, we directly manage or engage with the asset to create sustainable wealth. ESG analysis and engagement insights are considered as part of the analysis of each potential investment. Engagement can be an important source of information about a company or asset prior to investment given the lack of publicly available

data in such asset classes. ESG factors are actively monitored at every investment phase; and where concerns arise in relation to one of our existing investments, engagement is often a means to both raise concerns with the investee and seek to reduce the risk.

ACM oversight and engagement

The investment team monitors performance and risk of investees in terms of strategy, financials, risk, material ESG factors and the overlaps between these throughout the life of the investment.

While the most pressing material risks are those that will crystallise in the short term, we are long-term investors that strive to deliver holistic returns for our end investors. This means that our definition of materiality is necessarily wider. We believe that a wider range of risks will ultimately become material over a longer timeframe and that we need to engage proactively to mitigate them. ESG issues are prioritised at the company and we assess material areas of concern for each holding and industry, with an overlay of material ESG issues by region. This is done by using both primary and external research. Relevant ESG issues – whether macroeconomic risks or those specific to that company – are considered on a company-by-company basis, with implications for both inclusion and weighting in an investment portfolio, as well as engagement.

For our public markets strategies, with regards to monitoring strategy, financial, capital structure and material ESG performance and risk, this is done through financial analysis of company reports, attendance of analyst meetings, investor presentations, use of media and third-party research and engagement meetings. Each investment team is responsible for assessing the financial performance and

risk and the capital structure of investee companies. Where concerns are raised, this will inform engagement and investment decisions.

In addition to external research providers, the investment teams have access to a number of tools which enable ACM investment teams to pinpoint environmental, social and governance risks at both the company and portfolio level, which may then inform subsequent engagement and investment decisions. For public markets, on social and environmental impact and corporate governance issues in particular the monitoring is informed and supplemented by the engagement and voting recommendations provided by Bloomberg and other data providers.

We adopt a systematic approach to identifying companies for engagement. We select companies and tailor the intensity of engagement based on the size of our investment, materiality of the risks and issues and feasibility of achieving change through engagement. The investment team's input into the process to ensure that due attention is paid to materiality considerations. We believe that this enables us to most effectively serve our clients' needs by focusing our efforts on where they are needed the most and can have the most impact. We may also engage with a company or asset in response to a newly identified risk or opportunity.

For our private-market strategies, engagements are prioritised according to the exposure of the portfolios. Material financial, strategic and ESG issues will often form part of engagement with the company prior to investment and once invested.

Following the completion of an investment in the private debt strategies, risks – including material ESG risks – are monitored for any

changes. Should an ESG risk arise during the life of the investment, the investment team would engage with the relevant party to rectify or improve the issue.

[How ACM conducts dialogues with investee companies](#)

ACM adopts a systematic approach to identifying companies for engagement. We select companies and tailor the intensity of engagement based on the size of our investment, materiality of the risks and issues, and feasibility of achieving change through engagement.

Dialogue with investee companies is conducted through meetings, calls, letters or emails, either directly or as part of a collaborative group. The nature and frequency of the dialogue depends on the location of the company, stage of engagement, materiality of the issue and willingness by the company to engage. This is in addition to attending meetings facilitated by intermediaries. Dialogues are typically conducted with the board of directors, executive teams, corporate secretary, subject specialists or investor relations present.

We escalate the intensity of an engagement activity over time, depending on the nature of the challenges the company faces and the board's receptiveness towards our dialogue. Generally, our engagement activity becomes more active where we believe engagement will lead to an increase in or prevent/limit a decrease in the value of a company over the long term. While we can be robust in our dealings with companies, the aim is to deliver value for clients, not to seek headlines which could undermine the trust that we believe should otherwise exist between a company and its owners. As a result, we generally prefer to conduct engagement privately rather than

taking a public route when seeking change at companies. However, on the occasion that we should not be able to achieve success by using our usual methods of conversations behind closed doors, we may escalate our engagement by choosing to speak publicly at the company's annual general meeting (AGM) to garner additional investor support and add further pressure. When doing so, we would normally notify a company in advance. We may also vote against a resolution or management/the board at a company's AGM. Such choices are carefully considered, as this technique is only used if our usual engagement approach has consistently stalled and we are not confident that the company is taking any action to address our concerns

Within private markets, our teams focus on identifying current and potential meaningful ESG risks before investing, due to the difficulty of divesting and the capped upside. Because of a lack of third-party data, the teams use more qualitative information – often gained through dialogue with the company – as well as information contained in the due-diligence packs. Should an ESG issue arise during the life of the investment, the investment team will seek to engage directly with the borrower.

Stewardship

The term stewardship encompasses a multitude of activities. Different asset classes have distinct tools and levers with which to conduct stewardship. The activities of stewardship that are most relevant to our private market investments are:

- engaging with investees
- holding positions on investee boards and board committees
- engaging with policy makers
- engaging with standard setters, such as NGOs and industry trade groups

- collaborating with other investors
- contributing to public resources and initiatives that support stewardship goals

Whereas stewardship focuses on the use of influence broadly, engagement refers specifically to interactions between an investor and another party to improve practices on an ESG issue, make progress on sustainability outcomes or improve public disclosure. These interactions with current or potential investees are so central to private equity investing that they represent the dominant form of stewardship in the asset class.

Therefore, when we are exploring engagement with portfolio companies, we use the terms stewardship and engagement interchangeably, while acknowledging that stewardship typically covers a broader range of actions. It is worth noting that, in private equity, the terms active ownership and value transformation – specifically as it relates to ESG factors at a portfolio company – can also be used as synonyms for engagement.

At its core, stewardship and engagement are about seeking change or improvement. A good litmus test of whether counts as stewardship is to ask, if the action:

- intends to move a company towards improving its management of, performance on or transparency regarding a particular ESG issue
- contributes to decreasing negative outcomes and increasing positive ones
- inches markets closer to the ultimate aim of achieving a sustainable financial system

How ACM cooperates with other investors

ACM sees value in both direct and collaborative engagement, and it is the



combination of both which leads to the most influence and effective stewardship. We may collaborate with other investors when this may be beneficial for the engagement and influencing the actions and governance of investees. We seek collaboration where interests are aligned, and the objectives are based on material issues. Any collaboration is done in line with applicable rules on anti-trust, conflicts of interest and acting in concert.

[How ACM communicates with relevant stakeholders of the investee companies](#)

To succeed in the long run, we believe that companies will need to effectively manage relationships with key stakeholders. Our stewardship activities may include discussions with relevant stakeholders of investee companies, such as industry bodies, policymakers, regulators, customer groups, employee groups and civil society organisations.

All of our activities are supplemented by our belief in transparency, and our public reporting may also be of value to relevant stakeholders.