

# Shareholder Rights Directive II - Engagement Policy

## Introduction

This policy explains how Middlefield Limited meets the requirements of the Shareholder Rights Directive II<sup>1</sup>, focusing on engagement with management teams and/or board members at public companies that have their registered offices in a European Economic Area member state (a “Member State”) and the shares of which are admitted to trading in a regulated market situated or operating in a Member State (“investee companies”), that we invest in on behalf of clients.

This policy is available on [www.https://middlefield.com/funds/uk-funds/middlefield-canadian-income-trust/.com](https://middlefield.com/funds/uk-funds/middlefield-canadian-income-trust/.com)

## Monitoring of relevant matters affecting investee companies

For all investee companies, we will look to identify key drivers for the creation or destruction of shareholder value, and to understand the actions taken by investee company management that may influence these drivers. These key drivers include qualitative and quantitative information such as:

- Business strategy and model,
- Financial and non- financial performance and risk,
- Capital structuring,
- Social and environmental impact
- Corporate governance

We may utilise third party produced reports in this analysis alongside our internal analysis.

## Engagement with investee companies

As part of our fiduciary duty, we promote sound corporate governance as an informed, engaged shareholder. Engagement can take a number of forms which can include but not limited to the following:

- Attending investor meetings and presentations.
- Requesting information from the investee company.
- Adjusting or disposing of holdings in the investee company.
- Engaging as needed to enhance shareholder value.

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<sup>1</sup> Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC

## Voting Rights

As an asset manager, we have a fiduciary responsibility to vote for clients who authorise us to do so. Our voting guidelines aim to achieve outcomes aligned with clients' long-term economic interests, their investment objectives and strategy, and the relevant regulations.

## Co-operation with other Shareholders and Communication with Stakeholders

We may, at our full discretion and having regard for our client's investment strategy and objectives and the applicable legal and regulatory requirements, participate in group dialogue with other shareholders and stakeholders in investee companies, provided such collaboration is with the aim of enhancing shareholder value.

## Conflict Management

Our policies and procedures seek to prevent undue influence on our voting activities, ensuring decisions are made in the best interest of our clients, and in accordance with the relevant regulations.

## Annual disclosure and policy review

On an annual basis, we will disclose how this engagement policy has been implemented. This will include a general description of voting behaviour, an explanation of the most significant votes and the use of the services of proxy advisors. We shall publicly disclose how we have cast votes in the general meetings of investee companies in which we hold shares. Such disclosure may exclude votes that are insignificant due to the subject matter of the vote or the size of the holding in the investee company.

This policy will be reviewed on an annual basis.