

ARLINGTON CAPITAL

Statement in Relation to the Shareholder Rights Directive II

Arlington Capital Limited (the “Company”, “Arlington”) is authorised and regulated by the Financial Conduct Authority (“FCA”). The Company is required to comply with applicable FCA rules, including aspects of Article 3g of the Shareholder Rights Directive (SRD II) ((EU) 2017/828) (the “Article 3g Requirements”).

General Approach to Engagement

Arlington seeks to preserve and grow client assets by providing high quality investment management and advisory services to its clients. The Company’s engagement with issuers on behalf of its clients facilitates responsible asset allocation and management of capital consistent with its clients’ investment objectives. Engagement activities may include, amongst other things, monitoring companies, assets and service providers, engaging companies’ management and holding them to account on material issues and co-operating with other stakeholders.

Environmental, Social and Governance Matters

Arlington believes in investing in corporations that have demonstrated a sustainable framework for dealing with environmental, social and governance (“ESG”) matters. Arlington recognises that ESG-related issues are an increasingly critical factor in understanding global economies and has an ESG Investment Policy for liquid investments in the Hanson Income Fund.

Engagement with management

Where Arlington manages accounts which include investments in quoted securities with a listing on an EEA market or on a comparable market outside the EEA, the level of shareholder engagement with management will depend on a number of factors. While the Company may, in certain limited circumstances, actively engage with management on strategy, financial and non-financial performance and risk, capital structure, corporate governance or other issues, typically the level of the Company’s shareholder engagement is limited to the responsible exercise of voting rights. The level of the Company’s engagement is generally limited to the responsible exercise of voting rights because an account that includes shares typically (i) has an investment strategy with a specific mandate; (ii) the Company’s investment approach is quite macro-orientated; or (iii) holds an insignificant holding of the issuer’s outstanding shares. As a result Arlington has chosen at this stage not to implement an engagement policy pursuant to the Article 3g Requirements.

Global Proxy Voting Policy

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Arlington has engaged Sparkasse Bank Malta Plc to undertake proxy voting on its behalf when voting on the holdings in the Hanson Income Fund. Sparkasse provides research recommendations and vote execution services.

This statement will be reviewed annually and, if applicable, updated to reflect changes in circumstances and practice.

January 2021