

# Responsible Investment & Stewardship Policy

Governance	
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Approved by	Tom May, Trevor Davies
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## Version control

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## Our Philosophy

We believe responsible environmental and social policies, as well as prudent responsible governance, create more valuable companies; this approach is reflected in Atlantic House's culture, as well as our approach to investment. We seek to provide our clients with the optimum risk adjusted return and, as such, consider ESG issues and whether they have a material effect on either risk or return expectations. We set high standards in strategy, skill and execution as investment managers. In addition, we strive to match our investing acumen with the highest ethical standards and best practices. Part of that commitment includes Atlantic House's approach to environmental, social and governance issues.

Balancing Atlantic House's commitments means managing the environmental, social and governance issues facing our business while creating value for our investors. Everything we do and every decision we make has the potential to create, destroy or maintain trust, affecting our long-term success. To deliver on Atlantic House's priorities, we need to pay attention to societal issues, and both local and global risks, that may have an impact on the way we do business. As a result, responsibility is ingrained in our investment philosophy and addressing these issues can even help us increase the return on those investments.

Often conventional corporate strategy lags far behind social expectations. Business goals and desires sometimes only focus on profit. At Atlantic House we are taking the step of applying our ethical standards to acknowledge a sensitivity to environmental, social and governance issues in our investment process. The thought process is not new to us; however, we would like to describe that process and strive to continue to make progress in responsible investment in coming years.

## Sustainable Governance

The observance of legal and ethical codes at every level of the Firm – regardless of title or role – is an important principle. We cannot, and do not, simply stop there. We approach every action with active consideration as to how the decisions we make might be perceived or interpreted by both our clients and outside observers.

Our core values guide how we conduct business –with openness, integrity, honesty, and trust. We require that all employees put the interests of our clients before their own and that they comply with all applicable laws, rules and regulations. We are fortunate to have the ability to combine our strong commitment with our experienced internal team and resources to guide and execute our work in this regard. We work hard every day to maintain and improve our internal controls and navigate the increasingly complex regulatory and legal frameworks in which we operate.

We interact with our employees, investors, counterparties, custodians and stakeholders in a responsible manner and without discrimination. We strive to avoid conflicts of interest and always aim to act in the best interests of our clients.

## Sustainable Investing

The management of sustainability risk forms part of the due diligence process implemented by our Investment Managers. Our derivative-based investment strategies mean that our Funds primarily invest in high quality fixed income securities, combined with liquid derivatives in order to provide predictable and clearly defined outcomes for our investors. Whilst there are limitations within this universe, we continue to strive to select those instruments, where available, which provide superior sustainability characteristics, whilst not compromising the fiduciary duty that we have to our clients. As more thematic ("green", "social" and "sustainable") bonds, and derivatives in "ESG-focused" indices become available these will be reviewed and compared with traditional instruments and, where suitable, adopted in our investment products and solutions. We run a comparison of traditional and "ESG" instruments on a regular basis, testing pricing and liquidity of relevant instruments.

As investing in derivatives involves trading with counterparty banks, our policy and process also includes regular monitoring of the sustainability credentials of these counterparties – see Stewardship below.



All members of the Atlantic House team understand and support our Responsible Investment policy as we seek to encourage a greater availability of instruments and issuers that we can incorporate into our investment process.

## Environmental Issues

- The team are acutely aware of our effect on the environment and strive to minimise this in our daily working lives and in the operation of the office.
- We are proud to be certified a carbon neutral company.

## Social Issues

- We are accredited by the Living Wage Foundation.
- We sponsor local community initiatives to promote diversity and inclusion within financial services.
- We regularly sponsor student interns.
- Atlantic House respects the human rights of those affected by its investments.

## Principles for Responsible Investing

Atlantic House is a signatory to the UN Principles for Responsible Investment (UNPRI). As such we have agreed to commit to the following principles:

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.

## Stewardship

Stewardship of our clients' assets is a key tenet of responsible investment at Atlantic House. The instruments our funds invest in are often developed market (predominantly UK and US) Government bonds and index derivatives. Engagement with governments is rarely possible, and because we have no direct investment in the underlying companies in an index, we have no direct means to engage with or influence them. Instead, having a close relationship with counterparties, such as the banks we trade with, is a key part of our investment process. We regularly meet with all our counterparties and also complete an annual review of their responsible investment approach and ESG policies and incidents. Where a counterparty does not meet our required stewardship and responsible investment standards we reserve the right to cease trading with them.

See separate Stewardship Code Disclosure policy.

## Accountability & Responsibility

The Chief Executive Officer takes ultimate responsibility for ensuring adherence to Atlantic House's Responsible Investment Policy.

Atlantic House Investments Limited is a wholly owned subsidiary of Atlantic House Group Limited and is a firm authorised and regulated by the Financial Conduct Authority. Reference No. 586302 Registered Office: One Eleven Edmund Street, Birmingham. B3 2HJ. Registration Number: 09770730.