

Engagement Policy

The EU Shareholder Rights Directive II (“SRD II”) contains various obligations relating to shareholder engagement and transparency. These obligations are being implemented in the UK from 10 June 2019, and those which apply to asset managers are contained in the Financial Conduct Authority’s Conduct of Business Sourcebook. The obligations affect asset managers, such as Abraxas.

We are required to develop and publicly disclose an engagement policy which complies with the requirements set out in the FCA’s Conduct of Business Sourcebook and publicly disclose on an annual basis how that engagement policy has been implemented in a way that meets the requirements (including disclosure of certain of voting activities in respect of shares in investee companies) or to publish a clear and reasoned explanation of why we have chosen not to comply any such requirements.

The engagement policy must describe how we:

- integrate shareholder engagement in our investment strategies;
- monitor investee companies on relevant matters (e.g. strategy, financial and non-financial performance and risk, capital structure, social and environmental impact and corporate governance);
- conduct dialogues with investee companies;
- exercise voting and any other shareholder rights;
- cooperate with other shareholders;
- communicate with relevant stakeholders of investee companies;
- manage actual and potential conflicts of interests in relation to engagement.

Our UK Stewardship Code is already available on our website. We are currently considering whether to have an engagement policy and will update our website in due course.