

## **ENGAGEMENT POLICY**

### **VIKING GLOBAL INVESTORS EUROPE LLP**

This statement explains how Viking Global Investors Europe LLP (“VGIE” or the “Firm”) complies with its obligations under the revised Shareholder Rights Directive (“SRD II”) with regard to shareholder engagement with public companies, as required by the FCA rules at COBS 2.2B.5 R.

#### **Introduction**

VGIE is a BIPRU firm incorporated as a United Kingdom limited liability partnership in 2006 to provide sub-advisory and trade execution services to Viking Global Investors LP, a Delaware, U.S. limited partnership (“VGI”), and its group entities (collectively the “Viking Group”).

VGI manages capital across three types of private investment funds: the Viking Global Equities Funds, which are long/short hedge funds; the Viking Long Funds, which are long-only funds; and the Viking Global Opportunities Funds, which are liquid-illiquid funds (together, the “Viking Funds”). VGI performs fundamental analysis to identify attractive investments for the Viking Funds, primarily in equity securities, but also in debt, credit, derivative and other financial instruments, in companies located around the world that operate in a wide range of industries. The Viking Funds have, and will, invest in shares that are admitted to trading, or are traded on, EU regulated markets and comparable markets outside of the EU. VGI’s clients are the Viking Funds to which it provides investment advice. Investors in the Viking Funds include, without limitation, charitable foundations, endowments, pension plans, sovereign entities, funds of funds, investment companies, trusts and individuals.

As mentioned, VGI has engaged VGIE pursuant to a sub-advisory agreement to provide fundamental investment research, analysis, recommendations and advice, which VGIE does out of its office in the U.K. VGIE’s trade execution services presently consist of one trader executing trades in European securities for the Viking Group portfolio managers.

#### **Integration of shareholder engagement with investment strategy**

VGIE’s primary goal is to provide its client with best-in-class fundamental investment research, analysis, recommendations and advice. As part of its fundamental investment process, VGIE considers issues it believes to be material to a company’s business model, intrinsic value or management team. VGIE approaches the assessment of each potential investee company’s risk and return potential individually, however, and the types of inputs it assesses, as well as the importance it assigns to each, are specific to each investment. One of the tasks that VGIE may perform while evaluating a company for a potential investment recommendation, or monitoring a company in which it has recommended a current investment, is meeting with the company’s management team.

#### **Monitoring of investee companies**

As part of its investing and monitoring processes, VGIE generally performs a number of tasks that may include the following: meetings with a company’s management team; evaluations of a company’s management team; detailed review of a company’s products and services; market analyses to estimate the size of the future market for such products and services; analyses of a company’s financial information; discussions with a company’s potential customers and competitors; consultations with industry experts; reviews of alternative data

(which may include “big data”); quantitative analyses and reviews of other quantitative inputs; evaluations of a company’s material environmental, social and governance (ESG) issues; and reviews of the macroeconomic, regulatory and technological dynamics affecting a company’s prospects. VGIE approaches each investment individually, however, and the types of inputs it assesses, as well as the importance it assigns to each, are specific to each investment.

### **Dialogue with investee companies**

Throughout the investment process, VGIE considers and often engages with a company on a broad range of topics, including a company’s material ESG issues, strategy, financial and nonfinancial performance, risk management and capital structure. The objectives of VGIE’s meetings are generally to evaluate the quality of the management team and generate additional insights into the company that will further inform its investment decisions.

### **Exercise of shareholder rights**

The Viking Group strives to be an engaged shareholder and exercises proxy voting responsibilities in a manner that serves the best interest of the Viking Funds. The Viking Group has retained Institutional Shareholder Services Inc. (“ISS”, a third-party proxy voting services firm) to assist it in voting proxies for the Viking Funds on the Viking Group’s behalf. ISS provides VGIE and the Viking Group with in-depth research, proxy analyses, voting recommendations and quarterly reports indicating how prior individual votes have been cast. VGIE reviews ISS’s analysis and Benchmark recommendations ahead of each vote in order to determine whether to deviate from the Benchmark recommendations. Going forward, VGIE will also review ISS’s Sustainability recommendations in an effort to further integrate material ESG considerations into its voting decision. VGIE’s policy is to vote (or to refrain from voting, if appropriate) proxy proposals, amendments, consents or resolutions relating to the Viking Funds’ securities, including interests in private investment funds, if any, as a fiduciary on behalf of, and in a manner that serves the best interest of, the Viking Funds managed by VGI.

### **Cooperation with other shareholders and stakeholders of investee companies**

VGIE does not currently participate in any formal shareholder coalitions. VGIE has a policy that its personnel should never enter into any agreement, whether formal or informal, written or oral, with an outside investor to act together for the purpose of acquiring, holding, voting or disposing of equity securities, or recommending such actions, without the express approval of the Viking Group’s General Counsel or Chief Compliance Officer. Such express approval will be given on an “exceptions only” basis where VGIE considers it appropriate to liaise and/or collaborate with other shareholders and/or stakeholders of an investee company in order to protect the interests of the Viking Funds.

## Conflicts of interest

VGIE maintains a conflicts of interest policy. In addition, VGIE, as part of its commitment to raising the awareness of its personnel to the potential for conflicts of interest, provides training to its personnel regarding conflicts of interest; ensures all new personnel read the conflicts of interest policy and sign a declaration of understanding on joining VGIE; ensures existing personnel read the conflicts of interest policy and sign a declaration of understanding on approximately an annual basis; and, when changes are made to the conflicts of interest policy, ensures that these are communicated in a timely manner to relevant personnel. Specifically in regard to the potential for conflicts of interest in relation to VGIE's engagement with companies in which the Viking Funds are a shareholder, VGIE's policies require VGIE's personnel to disclose their personal securities holdings and abide by a strict personal dealing policy; obtain written approval before engaging in outside business interests; abide by a strict gifts and entertainment policy; and consult with the Viking Group's Legal & Compliance Department or Conflicts Committee if they identify an actual or potential conflict of interest. In addition, VGIE's investment personnel are required to notify the Chief Compliance Officer if evaluating or recommending (i) the securities of an issuer in which the investment person, or, to his or her knowledge any immediate family member thereof or another Viking Group employee or immediate family member of such employee has an existing personal investment or other financial relationship; or (ii) the securities of an issuer that, to the investment person's knowledge, has a material business arrangement with an issuer in which the investment person, or to his or her knowledge any immediate family member thereof or another Viking Group employee or immediate family member of such employee, has an existing personal investment or other financial relationship.

**Over 2020, VGIE voted in 12 different meetings. Our vote summary is below:**

Vote Instruction	Total
Abstain	0
Against	7
Do Not Vote	44
For	126
Grand Total	177

We used ISS as our proxy adviser for each vote listed above, in the manner described in our Engagement Policy. We ensure that each vote is in the best interest of the funds that Viking manages.

The following are some of the key themes of our voting in 2020:

- Theme: Vote in furtherance of a corporate transaction. One key vote during this period was voting in furtherance of a corporate transaction, with the example being the Aon / Willis Towers Watson combination.
- Theme: Votes to approve allocations of dividends. Votes in favor of dividends occurred multiple times during this period, with one example being a vote to approve an allocation of income and dividends for Zurich Insurance Group.
- Theme: Votes to elect or re-elect directors. There were a number of votes to elect or re-elect directors across many names in the portfolio during this period.