

## Engagement Policy Development (SRD II)

### **INTRODUCTION**

The Shareholder Rights Directive (EU 2017/828) (SRD II) amends the original Shareholder Rights Directive (2007/36/EC). The second Shareholders' Rights Directive ("SRD II") is due to be transposed into the national law of all EU member states by 10 June 2019. SRD II seeks to ensure increased transparency and accountability and encourage long-term shareholder engagement between companies and investors.

### **ENGAGEMENT POLICY IMPLEMENTATION**

As SRD II has now been transposed into UK national law as of 10 June 2019 the Financial Conduct Authority (FCA) requires that asset managers develop and publicly disclose a relevant engagement policy that outlines how they are monitoring and implementing the requirements under this Directive. For an initial period an asset manager may delay the publishing of an engagement policy and still remain compliant by providing an explaining as to what it is doing to either develop an engagement policy, or if not relevant, providing a clear explanation as to why.

London & Capital (L&C) which represents both London & Capital Asset Management (LCAM) and London & Capital Wealth Advisers (LCWA) is currently in the process of assessing to what degree SRD II applies under our current business models. All updates are scheduled to be provided by no later than the end of our current reporting period (1st of July 2020). L&C is actively reviewing the SRD II Directive and considering how we are integrating shareholder engagement in investment strategies, including the monitoring of investee companies on relevant matters such as strategy, performance, social and environmental impacts. We are reviewing our abilities to better assess voting behaviours and are focused on the enhancement and better utilisation of proxy advisers and finally, we are also assessing our reporting obligations and engagement responsibilities with our Institutional clientele.

### **ADDITIONAL INFORMATION**

If you have further questions, please don't hesitate to contact and speak to your L&C Adviser. You can also review the applicable FCA approach for SRD II under Policy Statement (PS 19/13) and/or reviews the Directive directly. Please see below;

**FCA (PS 19/13) - [Click Here](#)**

**(SRD II) European Directive ((EU) 2017/828) – [Click Here](#)**