

Zenkyoren Europe Limited – SRDII Engagement Policy and Disclosure Statement

(Implemented in accordance with Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 and as implemented under the Financial Conduct Authority's Handbook (COBS 2.2B)

ZEL sets out this disclosure on engagement policy in accordance with COBS 2.2B.5 R. and COBS 2.2B.6. R.

ZEL manages a portfolio of shares traded on a regulated market in listed companies (Investee Companies).

ZEL monitors all its Investee Companies within its portfolio based on a comprehensive evaluation of financial (business strategy, capital structure, performance trends) and non-financial (management policies / plans, competitive advantage, ESG factors).

ZEL monitors its Investee Companies performance trends through information gathering activities and engages with Investee Companies through meetings, facility tours, etc, in order to confirm the appropriateness of the investment against the investment mandate from ZEL's investors.

Investments in shares in Investee Companies carried out by ZEL as part of its portfolio management mandate equates to less than 0.5% of share capital per Investee Company.

ZEL believes non-material shareholdings in Investee Companies does not grant a shareholder the necessary powers to allow effective exercise of the essential rights of an engaged shareholder and therefore ZEL does not fully integrate shareholder engagement into its investment strategy.

On this basis, ZEL does not have an engagement policy for:

- (a) exercises voting rights and other rights attached to shares;
- (b) cooperating with other shareholders; and
- (c) communicating with relevant stakeholders of investee companies.

This Engagement Policy and Disclosure remains under constant review and subject to investment policy. The taking of any share positions in Investee Companies which significantly increase influence or actions taken in accordance with dialogue with ZEL's customers, may lead to engagement policy revision.