

Cantor Fitzgerald Asset Managers Ireland Good Governance Policy

This document sets out how Cantor Fitzgerald Asset Managers Europe (CFAME) assesses good governance practices of investee companies in line with the Sustainable Finance Disclosure Regulation (SFDR). This policy applies to all products, including those which are not classified as Article 8 and 9 under the SFDR. CFAME considers corporate governance one of the most relevant aspects of ESG, as governance practices have the most influence on a company's brand image, employee & investor relations, as well as the management of other ESG risks.

Criteria for Good Governance Assessment

CFAME utilises a set of governance standards largely recognised as industry norms that are defined by the SFDR. This includes four core areas, management structure, employee relations, staff remuneration and tax compliance. The table below breaks down the four core areas and the metrics the Investment Manager uses to gauge how a company is performing in these areas.

Indicator	Metric
Management Structure	% of Independent Directors
	Independent Chairperson
	Independent Lead Director
	Ethics Policy
Employee Relations	Employee Protection/Whistle Blower Policy
	Equal Opportunity Policy
	Health and Safety Policy
	Human Rights Policy
	Policy Against Child Labour
	Training Policy
	Anti-Bribery Ethics Policy
Staff Remuneration	Percentage of Independent Directors on Compensation Committee
	Clawback Provision for Executive Compensation
	Executive Share Ownership Guidelines
Tax Compliance	Percentage of Independent Directors on Audit Committee
	Auditors Opinion

Company Governance Assessment

CFAME use the metrics above to consider and assess whether a company has a material risk/issue within its governance structure. However, the Investment Manager acknowledges that sometimes ESG data may be backwards looking in its' assessment. CFAME therefore have a process in place allowing ESG data provided by a single data provider to be challenged by referring to multiple other ESG data providers in their assessment of good governance. This allows the Investment Manager to take a wide view of a company's governance structure and identify any biases/discrepancies that occur between data providers.

In addition to the above governance criteria, CFAME may engage directly with an investee company and use proxy voting to promote good governance practices. Companies must also meet the manager's Norm-Based minimum criteria to be considered for investment. See CFAME's [engagement policy](#) for details.

Sovereign Governance Assessment

For sovereign investments, the Investment Manager uses a proprietary screen that screens out countries which violate severe governance areas, such as labour freedom, civil liberties, as well as poor political rights. Additionally, the screener eliminates any country that is the subject to sanctions from either The United Nations or The European Union. The Investment Manager will not invest in any sovereign's financial instruments who violate the screener in place.

Fund Governance Assessment

For assessing both funds and exchange traded funds (ETFs) governance performance which are not managed by Merrion Investment Managers, the Investment Manager will assess governance performance using MSCI Research's fund governance score. Funds that are flagged as having low governance scores will be screened out and avoided by the Investment Manager.

Data Availability

In cases where governance data is not available for funds, sovereigns, and equities alike, the Investment Manager will closely monitor what public information is available about an investment and/or engage with the company/fund when possible. The Investment Manager is responsible for assessing and monitoring the governance performance of all investments on a periodic basis.