

# Castlefield External Advisory Committee Meeting

10/09/2018

## Meeting Summary

**Committee attendees:** Matthew Ayres, Kevin Davies, Rebecca O'Connor, Geoff Sides

**Castlefield attendees:** John Eckersley (in attendance for agenda items 1 and 2), Simon Holman, David Elton, Ita McMahon, Amelia Overd

### Terms of Reference

- After a welcome from Castlefield's Managing Partner, John Eckersley, and introductions from members and Castlefield attendees, the Committee reviewed the Terms of Reference (ToR).
- The Committee established a method for electing a new Chairperson. It was agreed that KD would chair the committee for the first year and at the start of the second other Committee members would have the opportunity to put themselves forward for selection.
- It was also agreed that the Committee could provide guidance on current holdings as well as prospective investments.
- Committee members agreed that they could submit any concerns to the Chairperson on any current holdings by sending an email to Castlefield and KD. The intention would be for these concerns to be discussed at the next meeting or at the first available opportunity.
- It was confirmed that the Committee would only look at the environment, social and governance aspects of a stock and would not be expected to analyse the business or financial aspects of the B.E.S.T process.
- GS proposed the formal adoption of the ToR by the Committee. This was approved by a show of hands by the other committee members.

### Introduction to Castlefield and the investment research process

- SH provided an introduction to Castlefield, the B.E.S.T research process, Castlefield's draft exclusion policy and the investment team's current voting and engagement activity.
- SH outlined the B.E.S.T research process that applies to all Castlefield funds and explained that there is a sustainability overlay that applies to certain funds. He stated that it is the B.E.S.T Sustainable fund range that the Advisory Committee will provide guidance on. He also explained that Castlefield has already identified a number of social and environmental topics that the investment team would like to seek the Committee's views on but the Committee can raise topics too.

### Introduction to two funds in the Castlefield B.E.S.T Sustainable fund range

- SH provided an introduction to the Castlefield B.E.S.T Sustainable Income Fund and DE outlined the transition of his fund to the Castlefield B.E.S.T Sustainable UK Smaller Companies Fund.

### Future focus areas

- The Committee discussed future focus areas where they could provide guidance in addition to fossil fuels, nuclear, animal welfare which the Castlefield team had already suggested. The agreed list included:

- fracking and security of energy supply
  - data privacy/data use and GDPR legislation
  - artificial intelligence
  - conflict minerals
  - intensive farming
  - the impact of an extended sugar tax
  - taxation
- The Committee agreed that it would select one or two issues per meeting to discuss. Castlefield would create a position paper ahead of the meeting for the Committee to consider.

#### Reporting on the Committee's activity

- The Committee agreed that Castlefield could publish a shortened version of the meeting minutes on its website in the interests of transparency.