

UK Stewardship Code Disclosure Statement

DG Partners LLP (the “LLP”) is authorised and regulated by the UK Financial Conduct Authority (the “FCA”).

Accordingly, COBS 2.2 of the FCA’s Handbook requires the LLP to make a public disclosure in relation to the nature of its commitment to the UK Stewardship Code (the “Code”) which is published by the Financial Reporting Council (the “FRC”).

The Code aims to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and the efficient exercise of governance responsibilities. It sets out good practice on engagement with investee companies and should be applied by firms on a “comply or explain” basis. The FRC recognises that not all parts of the Code will be relevant to all institutional investors and that smaller institutions may judge that some of the principles and guidance to be disproportionate. It is of course legitimate for some firms not to engage with companies (depending on their investment strategy) and in such cases firms are required to explain why it is not appropriate to comply with a particular principle.

The seven principles set forth for institutional investors in the Code are listed below.

Institutional investors should:

- publicly disclose their policy on how they will discharge their stewardship responsibilities;
- have a robust policy on managing conflicts of interest in relation to stewardship which they disclose publicly;
- monitor their investee companies;
- establish clear guidelines on when and how they will escalate their activities as a method of protecting and enhancing shareholder value;
- be willing to act collectively with other investors where appropriate;
- have a clear policy on voting and disclosure of voting activity; and
- report periodically on their stewardship and voting activities.

The LLP does not currently comply with the Code because the assets it manages are not invested in UK listed companies. Should this change, the LLP will review its commitment to the Code.

31 August 2019