

The UK Stewardship Code was first published in July 2010 with the objective of enhancing the quality of engagement between investors and companies, to help improve long-term risk-adjusted returns to investors.

At Price Value Partners, we are fully supportive of the Code and passionately believe that effective stewardship benefits companies, investors and the economy as a whole. Corporate governance is a vital part of our investment process and responsibility for it sits with the fund management team. For us, corporate governance is about ensuring that the executive and board of a company are aligned with us as shareholders and that the course that they have set for the business will create long-term shareholder value – for the benefit of our investors.

The Stewardship Code sets out a number of areas of good practice to which professional investors (like Price Value Partners) should aspire. We fully comply with the principles of the Code.

Principle 1

Institutional investors should publicly disclose their policy on how they will discharge their stewardship responsibilities.

We are very active in our engagement with company management teams – this is crucial to our investment approach. We want to represent our investors' best interests in our discussions with management teams. We like to see a clear alignment between a company and its shareholders in the pursuit of long-term shareholder value. If we fear that this alignment does not exist, or that an alternative strategy could result in more shareholder value, then we will engage with management to try to influence change.

We tend to favour voice over exit. We don't run for the hills at the first sign of trouble. We are prepared to roll our sleeves up, discuss the situation with management and do what we can to help them solve the problems. It isn't 'their problem', we see it as 'our problem'. We believe successful investment requires a partnership between managers and owners.

Principle 2

Institutional investors should have a robust policy on managing conflicts of interest in relation to stewardship which should be publicly disclosed.

We believe strongly in transparency and openness. We have an effective and robust conflicts of interest policy to protect the interests of our clients. The Conflicts of interest policy is designed to identify potential or actual conflicts between Price Value Partners, its clients, its investee companies and its employees, to document the conflict and any mitigating actions, set review dates and ensure reporting to clients where relevant, as well as appropriate escalation and reporting.

Principle 3

Price Value Partners Ltd is authorised and regulated by the Financial Conduct Authority. Registered in England & Wales at 60 School Green Lane, Sheffield, Yorkshire S10 4GR.

Institutional investors should monitor their investee companies.

Monitoring of investee companies is of vital importance to our investment approach. It is a continuous process, with all portfolios reviewed daily to ensure appropriateness, consistency and adherence to mandate and applicable regulations. Individual holdings are assessed

and monitored daily for newsflow, through conversations with the wider investment community and, where necessary, directly with the company.

We meet with the management teams of investee companies. The aim of these meetings is to learn more about the company but, as described above, we also seek to gain confidence that an alignment exists between a company and its shareholders.

Principle 4

Institutional investors should establish clear guidelines on when and how they will escalate their stewardship activities.

The aim of our investment process is to understand a business as comprehensively as possible. We are 'outsiders', however, and acknowledge that we will never know as much about a business as the 'insiders', namely the managers of that business. As a result, in the majority of instances, where we are convinced that an appropriate alignment exists between owners and managers, we will be supportive of the management team's long-term strategy.

Our stewardship activities will be escalated if we are concerned about misalignment between owners and managers or where we believe an alternative strategy may result in the creation of greater long-term shareholder value. This escalation will normally involve some or all of the following steps:

- An increased frequency of meetings with the executive management team
- Formal letters to the executive management team and board expressing our concerns
- Meetings with non-executives such as chairman and senior independent director
- Discussions with the company's corporate advisers
- Proposing changes to board membership and/or the executive management team
- Seeking support for our proposals from other institutional investors
- Requesting an Emergency General Meeting & voting against some or all board proposals at General Meetings

We prefer to undertake our corporate governance duties behind closed doors. However, if private discussions fail to deliver the outcomes we are seeking, then we are prepared to make our concerns public.

Principle 5

Institutional investors should be willing to act collectively with other investors where appropriate.

Price Value Partners is happy to engage with other investors, where appropriate, to achieve its objectives. This would normally take place if acting alone doesn't seem to be achieving the desired outcomes and/or where we have become aware that other institutional investors have similar concerns to our own.

Principle 6

Institutional investors should have a clear policy on voting and disclosure of voting activity.

Price Value Partners considers the right to vote as one of its most effective tools for promoting good corporate governance and representing the collective interests of its clients. We aim to always use our right to vote on behalf of our investors, in every situation we can.

Our default position is to vote with management, but we reserve the right to vote against proposals where appropriate.

Principle 7

Institutional investors should report periodically on their stewardship and voting activities.

Price Value Partners believes it is appropriate to conduct its company engagement activities privately, but in certain circumstances, we will make public statements, particularly where we have unresolved concerns about a company management team or its strategy. Where this is the case, details will be available on our website.

We commit to providing transparency on our voting activities. In some instances, such disclosure may be withheld temporarily due to reasons of confidentiality or market sensitivity but, wherever possible, we commit to providing this information on request.