

FPP ASSET MANAGEMENT LLP (the “Firm”)

STATEMENT ON THE UK STEWARDSHIP CODE

January 2023

1. INTRODUCTION

This statement outlines the Firm’s position with respect to the UK Stewardship Code (the “**Code**”), which was published by the Financial Reporting Council (“**FRC**”) in July 2010 and amended in 2012 and 2020. Under Rule 2.2.3R of the FCA’s Conduct of Business Sourcebook, the Firm is required to make a public disclosure about the nature of its commitment and level of compliance to the Code or, where it does not commit to the Code, to explain its alternative investment strategy.

The Code is a voluntary code, which aims to enhance the quality of engagement between asset owners/asset managers and listed companies in the UK, to help improve long-term risk-adjusted returns to shareholders and the efficient exercise of governance responsibilities. It sets out good practice on engagement with investee companies and is to be applied by firms on a “apply and explain” basis. It also describes steps that asset owners can take to protect and enhance the value that accrues to the ultimate beneficiary.

The FRC recognises that capital is invested in a range of asset classes over which investors have different terms and investment periods, rights and levels of influence. Hence the Code does not solely apply to equity investments.

The FRC also recognises that not all parts of the Code will be relevant to all institutional investors and that smaller institutions may judge some of the principles and guidance to be disproportionate. It is of course legitimate for some asset managers not to engage with companies, depending on their investment strategy.

The Code comprises twelve Principles that can be summarised as follows:

Purpose and governance	<ol style="list-style-type: none">1. Purpose, strategy and governance2. Governance, resources and incentives3. Conflicts of interest4. Promoting well-functioning markets5. Review and assurance
Investment approach	<ol style="list-style-type: none">6. Client and beneficiary needs7. Stewardship, investment and ESG integration8. Monitoring managers and service providers
Engagement	<ol style="list-style-type: none">9. Engagement10. Collaboration11. Escalation
Rights and Responsibilities	<ol style="list-style-type: none">12. Exercising rights and responsibilities

2. THE FIRM'S POSITION ON THE CODE

It should be noted that given the Firm's specialist focus on Emerging Markets fixed income, the number of occasions on which the Firm will be involved in UK equity or fixed income investments, will be limited. Therefore the Code's relevance has limited applicability to the Firm's investment activities.

The Firm has chosen not to formally commit to the Code given the nature of the Firm's asset base and its investment approach.

However, whilst the Firm has not made a formal commitment of compliance with the Code, its alternative investment strategy as set out above, is generally supportive of the spirit and aims of good stewardship as contained within the Code. As such, in practice, the Firm would take into consideration the principles as set out in the Code.

This Statement is reviewed annually and updated where necessary to reflect changes in circumstances and actual practice. Should the Firm's position change we will review our commitment to the Code and make appropriate disclosure at that time.

For further details on any of the above information please contact the Firm's Compliance Officer.