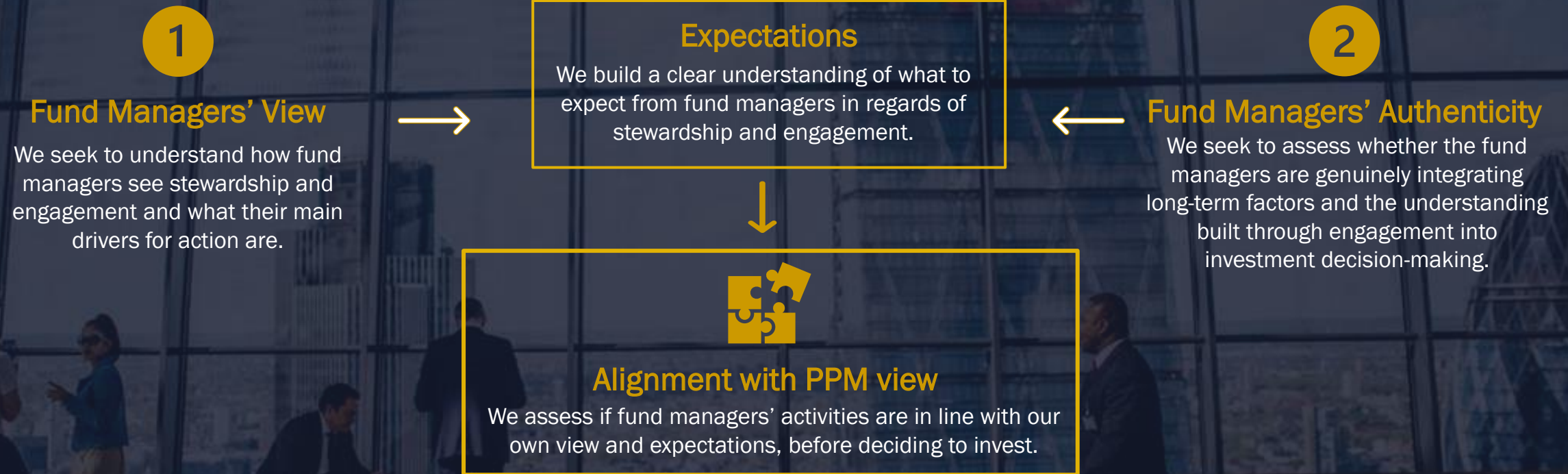




**PPM
STEWARDSHIP
STATEMENT**

HOW DO WE DELIVER EFFECTIVE STEWARDSHIP?

- At PPM Wealth, we take **stewardship** seriously as we see it as a reflection of our **fiduciary duty** which is the commitment to act in the best interest of our clients. We aim to enhance the value of our clients' investments over time through prudent, active management with a competitive and transparent charging structure.
- To deliver **effective stewardship**, within our fund manager selection process, we adopt the following framework:



PPM VIEW - WHAT DO WE EXPECT FROM OUR FUND MANAGERS?

Stewardship

We expect our fund managers to preserve and increase the value of assets with which they have been entrusted by:

- **allocating capital** in accordance with investment purpose, mandate and client interests;
- pursuing active discussions - **monitoring and/or engagement** - with their investee companies.

Appropriate **topics for dialogue** should comprise all issues that are relevant to performance over the long-term. This will include:

- strategy;
- capital structure;
- operational effectiveness;
- risk management;
- ESG longer-term risks.

Monitoring & Engagement

We expect our fund managers to **monitor** the investee companies and have a clear understanding of the nature of their business model. We think this is essential to inform their buy, sell, or hold decisions.

We also expect our fund managers to **engage** with the investee companies with the aim of achieving specific and targeted objectives able to drive change. We consider engagement the most important aspect of good stewardship.

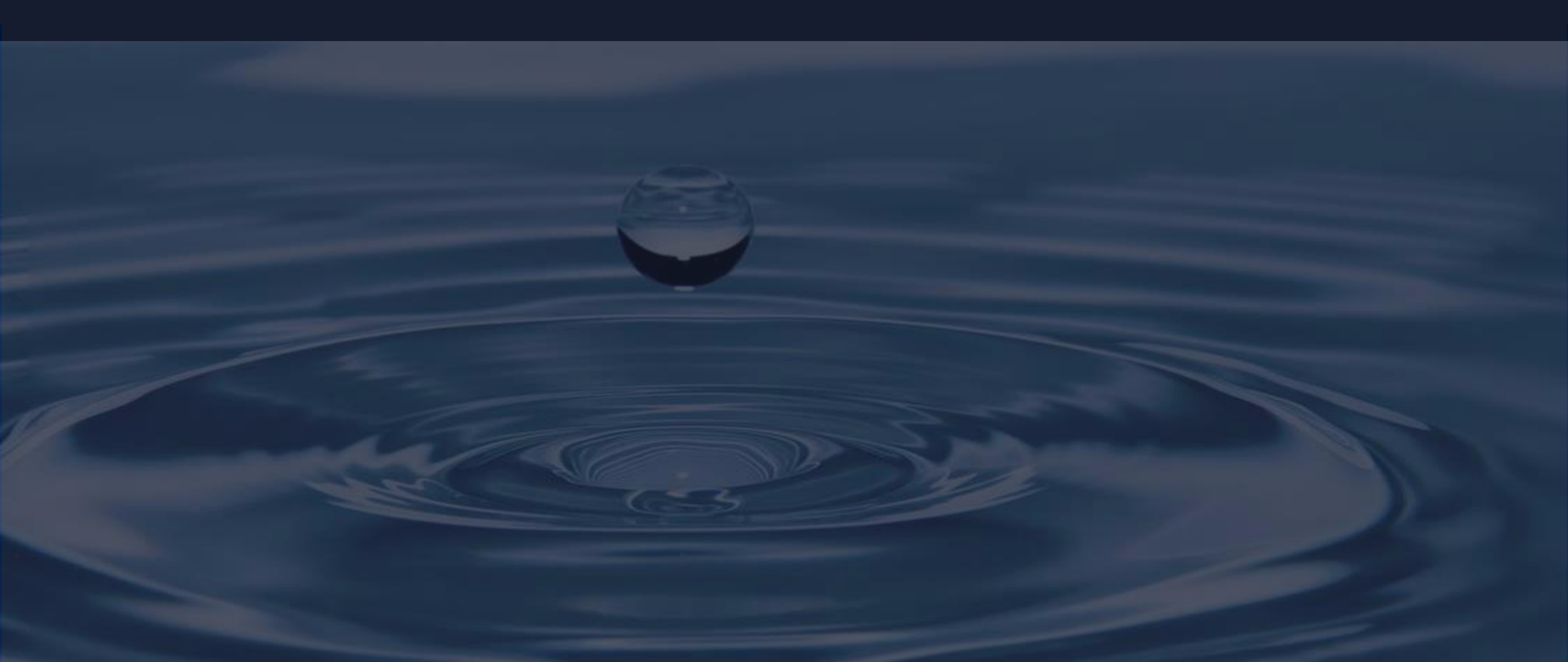
To assess if our fund managers' engagement is effective, we look for the following characteristics:

- sets clear and specific objectives to drive effective change;
- is set in an appropriate context of long-term ownership and has a focus on long-term objectives;
- is framed by a close understanding of the investee company, its stakeholders and performance;
- recognises that change is a process;
- employs consistent, direct and honest messages and dialogue;
- is appropriately resourced and uses resources efficiently;
- involves reflection to improve future engagement activity.

These activities should result in:



- Improved fund managers' decision-making and better investee companies' behaviours.
- Efficient capital allocation by fund managers and investee companies.
- Appropriate risk-adjusted returns and risk management from fund managers and investee companies, respectively.
- Preserved/enhanced overall value.



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