

Introduction:

Under Rule 2.2.3R of the FCA's Conduct of Business Sourcebook, Lightman Investment Management Limited (the "Firm") is required to maintain a voting policy that is in line with interests of other long-term stakeholders in the investee company. Further, Financial Reporting Committee (FRC) also requires that the Firm include on this website a disclosure about the nature of its commitment to the UK Financial Reporting Council's Stewardship Code (the "Code") or, where it does not commit to the Code, its alternative investment strategy. The Code sets out a number of principles relating to engagement by investors with UK equity issuers, as follows:

The seven principles of the Code are that institutional investors should:

- Publicly disclose their policy on how they will discharge their stewardship responsibilities;
- Have and publicly disclose a robust policy on managing conflicts of interest in relation to stewardship;
- Monitor their investee companies;
- Establish clear guidelines on when and how they will escalate their activities;
- 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.

Background to the Firm:

The Firm is a boutique investment management company focusing on investments in European equities listed on one or more of major European exchanges and regulated markets. The Firm currently makes all investments through a UCITS fund, to which it provides portfolio management service on a delegated basis.

The Firm pursues an investment strategy that expects the investee company's senior management to take relevant actions into unlocking the currently depressed market value of the investee company. The asset universe and the management action requirements for strategy success to which the Code is relevant. The Firm has accordingly created a Proxy Voting mechanism to allow conflict free exercise of voting rights and has included this document on its website to confirm compliance with FRC stewardship code.

Firm's Compliance:

Its compliance with the code principles are listed below:

1. Publicly disclose their policy on how they will discharge their stewardship responsibilities;

The Firm's commitment to the stewardship code is demonstrated through the publication its investment strategy and publication of this statement on our website.

2. Have and publicly disclose a robust policy on managing conflicts of interest in relation to stewardship;

The Firm understands that its interests might conflict with long term interests of other stakeholders in the investee company. Accordingly, the Firm has created a conflict of interest policy and register and these documents are available upon request to compliance@lightmanfunds.com

3. Monitor their investee companies;

The Firm has practices of regularly monitoring and reviewing its investee companies to keep itself abreast of the investee company's performance, key changes (from both internal and external factors), management body's priorities, financial reports etc. The Firm does not attend shareholder meetings of investee companies as it would be cost prohibitive to attend such meetings.

Further, the Firm has decided opt for shares instead of cash wherever such an option is available. This has been instructed to the custodian as a standing instruction as well.

Finally, the Firm has a policy of not engaging with senior management or Board of the Firm through any unsolicited communication to avoid risks of potentially becoming an insider. It does however engage with investor relations and records its concerns as and when possible. In the Firm's views, investor relations are the most appropriate forum to express concerns as such teams gather collective intelligence from the market and appropriately pass on concerns to the senior management or board.

4. Establish clear guidelines on when and how they will escalate their activities;

The Firm does not generally anticipate intervening with Firm's management, however it will exercise its shareholder rights to intervene in situations where the investee company senior management is granting itself aggressive remuneration, is looking at aggressive growth plans through acquisitions, or is taking too much

stress on the balance sheet to support growth. Such escalation would be achieved through communications with investor relations to record concerns and if required meeting with investee company management team.

5. Be willing to act collectively with other investors where appropriate;

The Firm is open to working collectively with other investors and shareholders till the time the proposals that require co-operations are in line with Firm's investment strategy and client mandates. The Firm does not actively solicit other investors and shareholder to back its stance and will only consider such collaborations when it is asked for one by other investors. Finally, in all such situations, the Firm will take a cautious approach to avoid breaching any acting in concert regulations.

6. Have a clear policy on voting and disclosure of voting activity; and

Lightman has a separate voting policy that is available upon request to compliance@lightmanfunds.com. Votes are casted remotely through proxy voting.

7. Report periodically on their stewardship and voting activities.

The Firm's management team regularly reviews voting activities and policies. The Firm currently does not publicly report details of its voting activities. Clients and stakeholders are however able to access summarised information by writing to compliance@lightmanfunds.com