

UK Stewardship Code 2023

Under Rule 2.2.A.5 of the FCA's Conduct of Business Sourcebook, Ilara Partners Limited (the "Firm") is required to include on its website or in another accessible form a disclosure about the nature of its commitment to the UK Financial Reporting Council's Stewardship Code 2020 (the "Code") or, where it does not commit to the Code, its alternative investment strategy.

The Code is a voluntary code and sets out a number of principles relating to engagement by investors with UK equity issuers. Investors that commit to the Code can either comply with it in full or choose not to comply with aspects of the Code, in which case they are required to explain their non-compliance.

The FRC defines 'stewardship' as 'the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.'

The 2020 Code principles for asset managers and asset owners are:

- 1) Signatories' purpose, investment beliefs, strategy, and culture enable stewardship that creates long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.
- 2) Signatories' governance, resources and incentives support stewardship.
- 3) Signatories manage conflicts of interest to put the best interests of clients and beneficiaries first
- 4) Signatories identify and respond to market-wide and systemic risks to promote a well-functioning financial system.
- 5) Signatories review their policies, assure their processes and assess the effectiveness of their activities.
- 6) Signatories take account of client and beneficiary needs and communicate the activities and outcomes of their stewardship and investment to them.
- 7) Signatories systematically integrate stewardship and investment, including material environmental, social and governance issues, and climate change, to fulfil their responsibilities.
- 8) Signatories monitor and hold to account managers and/or service providers.
- 9) Signatories engage with issuers to maintain or enhance the value of assets.
- 10) Signatories, where necessary, participate in collaborative engagement to influence issuers.
- 11) Signatories, where necessary, escalate stewardship activities to influence issuers.
- 12) Signatories actively exercise their rights and responsibilities.

ILARA PARTNERS

The Firm provides investment management services to a number of Professional Clients. The Firm generally pursues strategies which are focused on investment in funds whether listed or unlisted and any holding in Listed Companies is on a temporary or ancillary basis. Hence, while the Firm generally supports the objectives that underlie the 2020 Code and seeks to adhere to the highest standards of corporate governance and due diligence in respect of its investments, the Firm believes that the Principles are not applicable to its investment activities at this time. The approach of the Firm in relation to engagement with issuers and their management is determined globally. The Firm takes a consistent approach to engagement with issuers and their management in all of the jurisdictions in which it invests and, consequently, does not consider it appropriate to commit to any particular voluntary code of practice relating to any individual jurisdiction.