

## CONNING ASSET MANAGEMENT LIMITED

### UK STEWARDSHIP CODE DISCLOSURE

As a fiduciary asset manager, principally of fixed income securities, Conning Asset Management Limited (“CAML”) acts at all times in the best interests of clients to protect and enhance the economic value of the investments we manage on their behalf. Good corporate governance within the Conning Group is founded upon sound governance and risk policies which protect and enhance the return to the investor. CAML offers investment management and advisory services to institutional investors and is predominantly a fixed income manager. However where CAML is requested by a client to invest in equities on their behalf, CAML’s Proxy Voting Policies and Procedures view shareholder engagement, including proxy voting, as a key investment function.

CAML believes it complies with the majority of Principles laid down by the Financial Reporting Council in the UK Stewardship Code (the “Code”) ‘comply or explain’ rule, and sets out below the approach taken to the key requirements with explanations of reasons for any divergence from those contained in the Code, as and when relevant. Any questions on this statement or CAML’s approach to the UK Stewardship Code should be addressed to Louisa Gjertsen, Compliance Officer at [louisa.gjertsen@conning.com](mailto:louisa.gjertsen@conning.com).

#### Principle 1

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

CAML’s stewardship policy is implemented via CAML’s Compliance Policies and Procedures Manual which includes CAML’s Proxy Voting Policies and Procedures. CAML’s investment decisions are based on CAML’s own research into investment prospects. Investment research, in limited circumstances, may be supplemented by meetings with senior management of investment prospects, together with reviewing independent data and reports in order for CAML to determine its own assessment of the investment prospect. This process of analysis focuses on the long term investment decision and is an on-going monitoring process.

CAML’s Compliance Policies and Procedures Manual explains our philosophy and approach on stewardship (including how we monitor and engage with companies), our voting policy, our integrated approach to stewardship matters and how we deal with conflicts of interest. These principle stewardship elements of CAML’s Compliance Policies and Procedures Manual are set out in this statement, including the activities CAML undertakes to comply with the UK Stewardship Principles.

#### Principle 2

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

CAML has a “Conflicts of Interest” Policy in place which is contained within the CAML Compliance Policies and Procedures Manuals. This policy requires CAML to act, at all times, in the best interest of the client. Should a conflict arise, CAML senior management will take appropriate action to ensure client interests are protected, including disclosure of the conflict to the affected client. A copy of CAML’s Conflict of Interest Policy is available upon request.

#### Principle 3

**Institutional investors should monitor their investee companies.**

CAML’s portfolio managers monitor investee companies and, in certain circumstances may engage with investee companies. CAML monitors investee companies through in-house credit analysis. Such monitoring considers the financial implications of corporate governance risks, financial analysis and changes in corporate structures and industry specific developments.

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### **Principle 4**

**Institutional investors should establish clear guidelines on when and how they will escalate their activities as a method of protecting and enhancing shareholder value.**

At CAML we consider our primary duty to clients is to act in their best financial interest. As CAML's portfolio managers approach each engaged client individually, there is no prescribed escalation strategy, as suggested by the Code, because such engagement is not seen as normally mechanistic. Further, CAML is unlikely to make public statements about its involvement; call an extraordinary general meeting; or propose shareholder resolutions. CAML's preference is to engage privately in the belief that it better serves the long-term interests of our clients to establish relationships, and a reputation, with companies in ways that enhance rather than hinder constructive dialogues.

### **Principle 5**

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

Where CAML believes it is likely to enhance our ability to engage with a company, and is permitted by law and regulation, CAML will work with other investors. CAML may also engage collectively, with other investors, on matters of public interest.

### **Principle 6**

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

As CAML is predominantly a fixed income manager, CAML does not ordinarily vote at general meetings of investee companies. Should a situation arise whereby CAML votes on behalf of a client, CAML will disclose the details of such voting at the request of the client. As fiduciaries, CAML believes this information is the property of the client, any decision to publicly disclose is at the discretion of the client.

### **Principle 7**

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

CAML intends to update this statement and the information contained therein as and when significant developments in CAML's approach to stewardship and voting occur. Policies and processes relating to our corporate governance activities are audited periodically under a SSAE 16 framework.