2022 UK Stewardship Code

Principle 1 – Signatories' purpose, investment beliefs, strategy, and culture enabling stewardship that creates long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

Oldfield Partners LLP (OP) is an investment firm dedicated solely to equity investment in a classic contrarian value style. The firm is small, private and quiet and consists of 24 people, of which 12 are partners. The firm is majority-owned by the executive partners with significant co-investment in the funds we manage alongside our clients, reinforcing our alignment with them. Our culture is summed up in a few words: collaborative, supportive, founded on intellectual curiosity and focused on long-term results and long-term partnerships with clients. We have brought together an experienced, cohesive team who share a common philosophical commitment to patient, contrarian, value investing. The firm is highly collegiate, and the culture and values instilled by the four founding partners in 2005, remain as relevant today.

At Oldfield Partners we believe that buying out-of-favour stocks at healthy discounts to their intrinsic worth will deliver a superior return above inflation, and the wider market, over the long run. Our classic contrarian value investment philosophy traces its roots back to Ben Graham and David Dodd, with some of the refinements introduced by the likes of Warren Buffett and Sir John Templeton. A classic value investor should harness both their deep analytical skills and common sense to disaggregate the statistically cheap from the potential 'bargains' – those stocks that are lowly valued and trading at a discount to our view of their intrinsic worth or value. We establish the intrinsic worth of a company through our own empirical analysis and understanding of a company's underlying business, the industry it operates within and its strategic position together with our views on its sustainable growth or recovery prospects. We seek to make investments in businesses that trade below their long-term history and below their fair values implied by their assets, growth and returns on capital where there is a poor market sentiment towards the company. For our investment approach to deliver long-term returns in excess of the MSCI World, we build portfolios that look very different from the index. This requires a disciplined approach to valuation methodology which is consistently applied during market cycles, with a clear valuation-driven 'buy' and 'sell' discipline.

Our culture creates the right environment to promote independent thought and careful consideration in this search for investment 'bargains'. We are based in Belgravia, where we are intentionally apart, both geographically and emotionally, from the 'noise' of the City. Large firms and peer pressures can incentivise overactive, short-termism. We believe a small firm with strong and clear individual accountability, supports a longer-term investment horizon. We believe this creates greater alignment with the longer-term requirements of our clients and provides stable capital to support the building of a sustainable economy that takes greater account for the needs of the environment and society.

In recent years, we have intentionally sought to increase diversity across the firm, with a particular focus on investment and leadership. Whilst there is still room for improvement, at the time of writing, our investment team is 25 percent female, 25 percent are of an ethnic minority, and collectively there are 7 languages spoken. We believe increasing diversity allows us to better reflect the clients that we serve, as well as the interests of society at large. To allow diverse views to be brought to bear, we continue to foster a culture of inclusion. Investment team meetings are actively chaired, participants are encouraged to contribute consecutively, and engagement with humility and respect are emphasised. With an objective of creating psychological safety, staff turnover since founding has been minimal, at an average of 5 percent per annum.

As of 31st December 2022, total firm assets under management were around $2.7bn, across a combination of segregated mandates and pooled vehicles. The firm has around 160 clients including families, high net worth individuals, pension funds, endowments, and charities. Our client base is predominantly based in the UK and North America which is illustrated below:

Assets under management

Region	No. of investors	US$m
Americas	37	1,037
EMEA	12	234
UK	112	1,459
Total	161	2,729

Type	No. of investors	US$m
Charities & Endowments	26	688
Families & Individuals	82	224
Pension Funds	9	1,698
Other institutional	44	119
Total	161	2,729

Source: OP. Date: As at 31st December 2022.

Because of our unambiguous value strategy, we ensure that our clients are clear from the outset on our approach to investing and our goal of delivering superior returns over the long run. In the same way that we seek out companies with management who we believe in, and can support over the long-term, we encourage clients who search for similar qualities in their investment managers. This is an intentional part of our strategy. With the view that transparency and clear management of expectations support stable capital and long-term value creation, we maintain a regular dialogue with our clients to ensure we are continuing to meet their needs. A more detailed description of this can be found in Principle 6 below.

We focus on our own fundamental research of individual companies generated by our experienced team. In constructing portfolios, we ignore index weightings and start with a blank sheet of paper, seeking individual stock ideas to create focussed yet diversified portfolios. We take a long-term view and have low levels of turnover. Our global portfolios are concentrated, with generally between 20 and 30 holdings, and this concentration necessitates a thorough knowledge of each holding.

We consider it an important part of company analysis to assess corporate governance, as well as the management of social and environmental issues. This forms part of our risk assessment of business fundamentals. We believe that ignoring ESG factors leads to an incomplete understanding of the risks to an investment case and may consequently result in the wrong investment decisions. Indeed, we believe that successful integration of ESG factors can contribute positively to the risk-adjusted returns achieved by the investments we make on our clients' behalf. ESG-related issues can provide us with investment opportunities where we see an improvement in such issues playing a role in the recovery in the results and perceptions of a company and its share price.

Our starting point is not to exclude any particular sectors or countries unless excluded in individual managed accounts by the client concerned. However, we do avoid companies about which we have serious governance concerns, unless it is clear that such concerns have been, or are being dealt with, by management and any shortcomings have been addressed. All key investment research notes have a dedicated ESG section where investment analysts identify those ESG factors most material to the investment thesis. This will be debated by the investment team as part of the risk analysis of a business.

Once we become shareholders, it is our responsibility to engage on these material issues where appropriate. We believe responsible ownership is a necessary part of our fiduciary duty. While the focus of our engagement efforts is on the ESG issues which we deem to be most material to the investment thesis, we also believe it is our responsibility to monitor new or existing ESG controversies and assess whether these issues should be escalated to engagement. We employ the services of MSCI to help us monitor such controversies.

We believe this approach to integrating stewardship into our investment process, together with this governance structure, helps to serve the best interests of our clients. In 2021, as the needs of our clients, data availability and the regulatory landscape continued to evolve, we recognised that our approach would be strengthened by a dedicated ESG team member. We began a recruitment exercise to find the right individual in the latter part of 2021 and this search was completed in the first quarter of 2022. During the search we emphasised collaboration, prioritising strong value alignment with our existing team, whilst balancing this with the objective of increasing diversity.

From 2022 therefore, the team have the additional support of the Responsible Investment Lead, for ESG analysis and engagement. The team's progress is monitored by our Stewardship Committee, a six-person committee which is chaired by the Responsible Investment Lead and attended by the Managing Partner (CIO) and representatives from investment and client relations. The committee has several objectives, including monitoring the progress of our stewardship efforts, providing oversight. The committee will sometimes challenge the materiality rating, or the method and process of engagement. We detail their role further in Principle 2.

In previous submissions, we have highlighted climate change as one of the most significant challenges facing the world today. We are committed to playing our part in lowering harmful emissions and we believe we can have the biggest impact by engaging with the companies in which we invest to reduce their carbon footprint over time. We develop our approach, along with examples to illustrate this, throughout the submission. We extend our commitment to the operations of our firm and we measure and monitor our total carbon footprint on an annual basis and offset this each year through our relationship with Climate Partner.

As a boutique investment firm, we do not have a heavy carbon footprint. We occupy one floor of a shared, serviced building in London. Historically, our main source of emissions has been through international travel, which has reduced significantly in recent years. In 2021, with a continued reduction in travel, the firm's carbon footprint was dominated by the gas and electricity use of our UK office. In 2022, we took on responsibility for our heating and lighting from our landlord and during this process switched to Octopus Energy, as a group focused on sustainable energy. We will review the impact of this in our update on emissions for fiscal year 2022 which we are in the process of finalising.

In order to offset the carbon emissions that we are not yet able to reduce, we focus on nature-based solutions. Our partnership with Climate Partner provides additional verification of the projects that we choose to support, which last year included woodland creation projects in the United Kingdom, and afforestation, reforestation and re-vegetation in China. For more information on these projects, please use the following URL climatepartner.com/18836-2205-1001.

As well as being the right thing to do, we believe that reducing our carbon footprint where possible and offsetting where this is not, creates a culture of awareness, accountability, and alignment with the expectations that we set for portfolio companies. In the coming twelve months, we will publish our first TCFD report, providing greater detail in areas such as governance, strategy, and risk management.

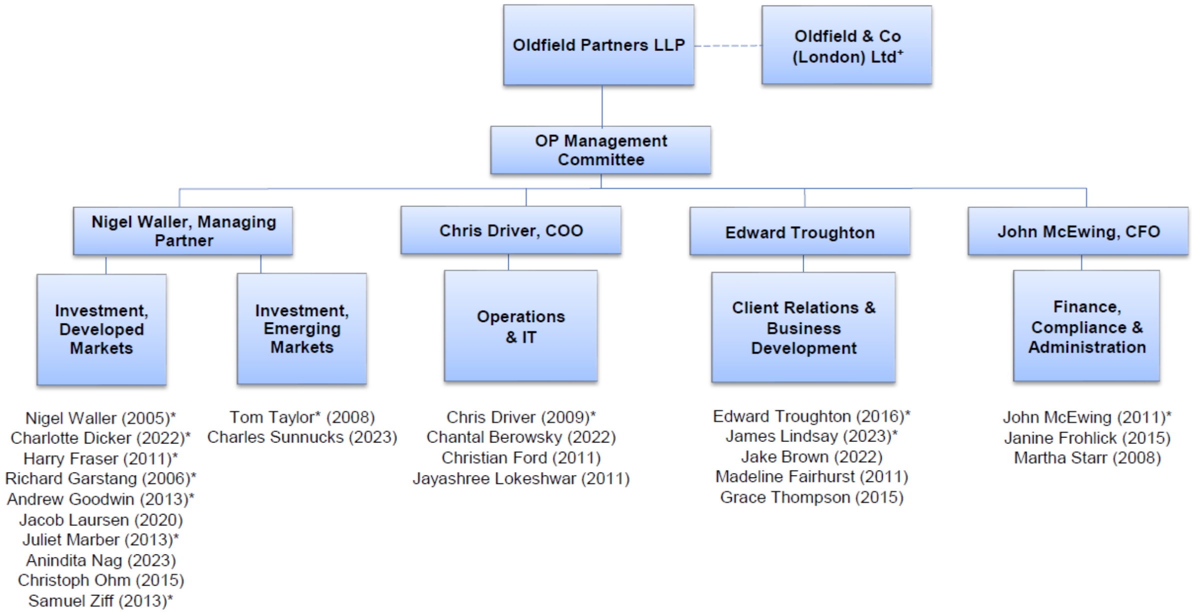
With our greatest impact through the investments that we make on behalf of our clients however, we are publicly committed to achieving net zero emissions by 2050. As contrarian, value investors, we seek stocks where investor sentiment is poor and expectations low, and this can include ESG factors. However, for the investment case to work, and valuation to recover, these ESG issues need to improve over our investment horizon. We are motivated to engage with these companies to deliver this. As a Value investor, we are exposed to industries whose decarbonisation play a critical role in the energy transition. Our role as an active owner through voting and engagement, is therefore an important part of our approach and value add for clients.

In support of this, in 2019 we joined Climate Action 100+ and the Institutional Investors Group on Climate Change (IIGCC). In 2022 we deepened our engagement with this group to better understand the Net Zero Asset Managers initiative (NZAM) and how our value investment approach could best align with this commitment. As a result of this work, we became an NZAM signatory in January 2023. As a signatory, we have adopted a portfolio coverage target which encourages dialogue with our investee companies whilst also providing goals to ensure progress is made in a timely way. Our commitment includes our position today, as well as two formal interim targets and applies initially to our Global equity strategy which accounts for around 75 percent of our assets under management. We will provide further details of our approach in our submission for 2023.

It is obvious to us that to achieve net zero, investors and Governments must work together to ensure an effective policy, compliance and incentive framework. As a small firm, our ability to influence policy on a standalone basis is more limited and therefore in recent years we have been signatories to the Investor Agenda, extending our public position on net zero into the public policy advocacy area, urging Governments to strengthen their targets including 2030 interim targets as well as ensuring domestic policies support this.

We recognise that our approach to stewardship often takes time to deliver conclusive outcomes. However, as value investors we believe a patient, yet persistent approach is more likely to deliver meaningful change, and therefore superior returns for our clients over the long run. We continue to foster a culture and environment that allows us to avoid market noise and short-term thinking. In this way we are able to take a longer-term view that creates stronger alignment with the investment horizon of our clients, as well as the timeframe to create meaningful change, for benefits for the economy, environment and society.

Principle 2 – Signatories' governance, resources and incentives support stewardship.



Date: as at 30th September 2023.

* denotes Partners of Oldfield Partners LLP
\+ Oldfield & Co. board membership:
Beatrice Hollond (Chair), Debbie Clarke, Robin Hindle Fisher, John McEwing, Richard Oldfield, Nigel Waller, Susan Wood.

Oldfield Partners is a limited liability partnership and operates as the regulated entity. The firm is majority-owned and controlled by its executive partners and also enjoys the support of a small number of external shareholders. The firm is run by its partners who meet quarterly to review all aspects of business. Day-to-day management is overseen by the Management Committee that consists of four partners, Chris Driver (Chief Operating Officer), John McEwing (Chief Financial Officer), Ed Troughton (Head of Client Relations) and Nigel Waller (Managing Partner). The Committee is chaired by Chris Driver. The firm and its partners are also supported by the majority-independent board of Oldfield & Co. (London) Ltd, the corporate member and parent of Oldfield Partners LLP through which the external shareholders hold their interests.

The above organisational chart illustrates this set-up as at the time of submission in October 2023. The board of OC meets quarterly to review the same information reviewed by the partners and this may include detail related to stewardship or OP's activity in relation to the broader ESG regulatory environment. A key element of our governance structure is the firm's Remuneration Committee which is formed of the independent members of the OC board and Richard Oldfield, Partner of Oldfield Partners LLP.

The firm has three working committees which support stewardship and related activities. Each of these is chaired by a partner and brings together partners and employees, intentionally from different areas of the business. The committees cover Stewardship, Charity (for the management of OP's charitable giving) and Diversity and Inclusion (for the monitoring and coordination of the firm's diversity agenda, including our diversity-related community outreach work and interaction with the Diversity Project). All three committees publish their minutes.

As we described under Principle 1, the investment team takes the lead on ESG analysis and engagement, supported by our Responsible Investment Lead. Given the high conviction, in-depth nature of our approach, we believe this is an advantage as it helps to provide a nuanced understanding of ESG risk on an individual company basis. It promotes a focus on issues of greatest materiality and creates a consistent narrative between the investment thesis and the subsequent approach to proxy voting and company engagement. With an average of 19 years in the industry, our investment team bring significant experience in both fundamental research and associated engagement with companies.

To reinforce our stewardship efforts, the team's progress is monitored by our Stewardship Committee. As mentioned, the Stewardship Committee is comprised of five members of the investment team, as well as a member of client relations. We aim to bring together different perspectives, team backgrounds and levels of seniority, to ensure a balanced discussion. From an investment perspective, the committee brings together both generalist experience and Emerging Market specialisation. Senior figures are well represented on the committee including three partners, one of which is the Managing Partner. In 2022, the chairing of the committee was passed to the Responsible Investment Lead.

The committee monitors the progress of our engagement efforts, providing oversight. The committee will sometimes challenge the materiality rating, or the method and process of engagement to reflect concern about a particular activity or aspect of governance. The committee also meets to set firm wide ESG objectives and share best practices, both internally with the investment team and publicly through engagement reports and thought pieces. The minutes of committee meetings are distributed within the firm to ensure transparency and allow for anyone to contribute or challenge, as required.

We believe this structure enables oversight and accountability for effective stewardship and we believe the dedicated ESG resource has strengthened this by forming stronger links between regulatory frameworks, industry best practice, priorities of our clients and our quarterly discussions. As an additional step in 2022, introducing external oversight, the Responsible Investment Lead now meets with the external Fund Board on an ad-hoc basis to provide an update on our priorities and progress.

Incentivisation of Stewardship

Each member of the investment team is paid either an annual salary (employees) or an amount equivalent to an annual salary (partners) and is eligible for a discretionary bonus. The discretionary bonus is decided by the Remuneration Committee. The Remuneration Committee takes input from the annual appraisal process including the outcome of an ESG specific discussion which is further outlined below.

The appraisal process is performed annually with objectives set for each individual at the beginning of each year. For investment professionals this includes performance of any funds they may manage, the performance of any investment stock idea recommendations made whether they were invested in or not (both performance metrics are assessed over short and long-term periods), the quantity and quality of the investment notes written including their adherence and contribution towards ESG integration, the contribution to the investment debate, their contribution towards marketing and client relations as well as more general contributions to the firm.

The appraisal process involves the completion of a self-assessment by each member of the team against the objectives set. The ESG objectives include the assessment of ESG-related issues when considering investment ideas and the progress made each year in engagement with companies on ESG issues. The Chief Investment Officer (Managing Partner) will review and discuss questions such as "how well do you think you did last year on integrating ESG into your work and your notes and how well did you express your opinion in your notes on ESG matters?".

Investments in ESG Data and Services

To pursue our ESG approach we have invested in a number of providers including MSCI ESG Research and MSCI ESG Controversies service, and we employ ISS to facilitate proxy voting. In 2020 we introduced an engagement tracking and monitoring system. We outline below the way in which third party systems support our research and stewardship activities. In Principle 8, we expand on our activity to monitor and hold service providers to account, to ensure they continue to deliver on our requirements.

For ESG and controversies data, each member of the investment team has access to MSCI ESG reports at an industry and company level. These reports cover a wide array of ESG factors, including corporate governance & behaviour, corruption & instability, biodiversity & land use, carbon emissions, community relations, health & safety, and toxic emissions & waste. These reports are used as a starting point for the investment team's analysis and to make their proprietary assessment.

We are highly sceptical of assessing the ESG fundamentals of a company based solely on the rating ascribed to it. These ratings are backward looking and there is usually a significant lag between changes in a company's fundamentals, and a corresponding change in the ESG rating. We are also conscious that the rating system itself can only be as good as the underlying data available. In situations where our own assessment of material ESG issues diverges meaningfully from that of an MSCI report, we will often contact MSCI to gain a more detailed understanding of this difference in views.

The highly concentrated nature of our strategy allows us to undertake our own engagements. We employ the services of MSCI to alert us to any controversies specific to the companies we are invested in. However, we do not rely on their engagement services. These providers complement our engagement efforts by supporting our research, not for outsourcing purposes.

We employ the services of ISS to manage the proxy voting process and inform our decision-making. ISS provides analysis and voting recommendations for each proposal based on their benchmark policy. This is circulated to the team and the lead analyst on each company will consider this, alongside the investment thesis, to determine whether to vote in line with ISS recommendations. If we have a conflicting opinion about a particular issue, we instruct ISS to vote as we see fit and increasingly share this feedback with the company in question. Once again, the concentrated nature of our strategies facilitates this case-by-case approach. Our quarterly stewardship reports document our proxy voting activity, as well as company engagements, these are distributed to clients and made publicly available on our website.

Diversity, Equity & Inclusion (DE&I)

Internally, our DE&I committee guide the social aspects of ESG internally, running a range of initiatives, often influenced by our work with Diversity Project. In recent months we have shared allyship training videos covering various aspects such as gender, disability and race. The videos showcased personal stories and discussed how allyship in the workplace increases inclusivity. Secondly, an in-person workshop on neurodiversity for all staff was held. This was hosted by Mindroom and covered neurodiversity and mental wellbeing.

Within the wider community, our work is overseen by the Charity Committee which is comprised of partners and staff from across the firm. We encourage submissions from staff where they are actively involved in the charity, including ad hoc fundraising events in which the member of staff is participating. This means that in addition to our long-term charity relationships, we can reach a variety of charitable causes championed by our staff as well as supporting charitable causes associated with the local communities where we work.

We have chosen to partner with four organisations to help us achieve our goal of increasing diversity inside and outside our organisation. As mentioned, we have joined the Diversity Project to accelerate progress towards an inclusive culture in the investment profession. We are also working with TimeBank, Maths4Girls and upReach to deliver mentoring schemes, aiming to give opportunities to underrepresented groups.

Principle 3 – Signatories manage conflicts of interest to put the best interests of clients and beneficiaries first.

We seek to act in the best interests of clients at all times and we maintain a conflicts of interest policy in accordance with regulatory guidelines. Our policy ensures that procedures are in place to identify, manage and document any conflicts that arise in the course of business. The policy is reviewed annually and is publicly disclosed on the firm's website.

On a quarterly basis all staff are required to confirm that they have escalated any potential conflicts of interest that may have arisen, and not previously been declared. In addition, quarterly declarations are made by staff on employee conflict areas such as outside business interest, personal account dealing, political contributions, gift and entertainment as well as receipt of material non-public information. Any concerns arising from these declarations that require escalation are included in the quarterly reports provided to the executive partners and board of the firm. Annual training is provided to all staff on policies the firm has in place to manage conflicts of interest and includes discussion of pertinent regulatory development as well as enforcement cases from which the industry can learn. The Firm keeps a register of potential conflict areas and mitigating controls the Firm has in place to manage such conflicts.

There were no conflicts raised during the course of 2022. Due to the small size of our firm, the close relationships that we maintain with clients, and the concentrated nature of our funds, the frequency with which these conflicts arise are limited. We have however given further consideration to specific roles held by partners of the firm on our fund boards as a potential area of conflict and provide a case study below.

A partner and member of the management committee also serves as a fund director on the board of two of our Irish funds where Oldfield Partners acts as the investment manager. In addition, a second partner and member of the management committee sits on the fund board of our US based funds. In both scenarios, OP recognises the potential conflict, with the possibility that this could expose the fund board to the risk of being unduly influenced. In both scenarios, there are however at least two other independent fund board directors, which mitigates the risk, and the representative of OP does not have additional voting rights. The independent fund directors are not remunerated directly by OP, which we believe reinforces the level of independence they are able to exert in their respective positions.

As it relates specifically to serving the best interests of clients and beneficiaries, with regards to our approach to stewardship, we highlight below areas of particular relevance that we monitor.

Potential Conflict	A transaction is executed in securities where the firm, or a member of staff is contemporaneously trading or has traded on its/their own account or has either a long or short position.	**Management of Conflict**	In addition, we have a comprehensive personal account trading policy. Members of the firm are encouraged to invest in the firm's own funds but are also free to invest in third party funds, listed investment trusts and exchange-traded funds. The policy however precludes new investment by members of the firm in the shares of individual companies except under exceptional circumstances with special permission from the Chief Investment Officer. Permission will not be granted if the shares are held in, or are being considered for holding in, clients' portfolios. The policy requires advance written approval for personal trades, by a member of the management committee and the compliance officer. Records of personal trades are examined by the partners and the board.
Potential Conflict	Individuals at the firm are influenced to select or maintain a business relationship with a supplier or service provider, other than for reasons that are beneficial for the firm or our clients.	**Management of Conflict**	In order to support our independence in our day-to-day interactions with suppliers of goods and services, there is a rigorous entertainment policy which requires permission for, and recording of, all entertainment in excess of £150. The records are included in quarterly partner and board papers. Entertainment of the firm's members is allowed only where such entertainment is conducive to business discussion. A recipient of such entertainment must provide a written report after such events explaining how it was beneficial for our clients.
Potential Conflict	Voting shares where OP has a business relationship with the investee company. An employee has a financial or non-financial interest in a	**Management of Conflict**	All employees are required to disclose their outside business interests upon joining and thereafter prior to their being appointed to an external

	company we engage with. This could give rise to the possibility of the Firm not acting or voting in the best interests of its clients.		position, whether this is financial or non-financial. All staff must seek permission before taking executive or advisory roles elsewhere. This conflict is currently lessened as none of our staff are directors of investee companies nor are any of our clients' public companies that issue securities. In this way we maintain an independent approach to company voting and engagement, avoiding any potential conflicts of interest. To uphold our Stewardship of the companies we engage, we are unlikely to allow an employee to have a financial or non-financial interest in a company we engage with or invest in. Similarly, the Firm itself will not look to have interests in the companies we engage with, outside of our portfolio management activities. Upon joining the Firm, and annually thereafter, all staff are required to complete and sign a questionnaire disclosing all reportable outside affiliations. Staff have an ongoing obligation to report and obtain approval for any new outside affiliation and any change in status with respect to a previously approved affiliation.
Potential Conflict	Aggregation and allocation conflicts between clients of a firm, such as one client's trades executed before another's when dealing in the same financial instrument or unfair allocation.	**Management of Conflict**	All portfolios within a single strategy are essentially identical. All clients within the same strategy trade together except where individual clients have inflows or outflows. From time to time, such flows can give rise to opportunities to reduce market impact and improve the prices achieved on transactions that can be crossed at mid prices but only where both clients allow such crossing. Cross-transaction between the two clients' portfolios can be to the

			advantage of each client. Such cross-transactions require approval by the compliance officer and are noted in reports to the partners and the board. There is often an overlap of holdings and potential holdings between the different strategies. Whenever a portfolio manager wants to place an order, he or she must notify the whole investment team to provide the opportunity for any other manager within the team to participate in the trade, thus ensuring that all accounts are traded at the same time.
Potential Conflict	Split Voting.	**Management of Conflict**	When voting on companies held in more than one fund, if there are differing views, portfolio managers act independently, voting their portion of shares held. Although this rarely occurs, we believe this allows each portfolio manager to act in the best interests of their clients, reflecting their investment thesis and approach or activity with management. To date, we have not received any interest in adopting specific voting instructions from individual fund clients. Should this change, we are willing to engage in the discussion and believe that we do have the infrastructure to allow for this to be reflected.

Principle 4 – Signatories identify and respond to market-wide and systemic risks to promote a well-functioning financial system.

As described, our investment philosophy is based on contrarian bottom-up stock selection. We are not driven by top-down macro analysis, but do consider this as a part of understanding the fundamentals of the individual companies we invest in. As already noted, the Stewardship Committee meets regularly to set firm wide ESG objectives and share best practices. Identifying and debating market-wide and systemic risks forms a part of this process.

Climate change remains key to these discussions, and we identify it as one of the most significant challenges facing the world today. We are committed to playing our part in lowering harmful emissions by engaging with the companies in which we invest to reduce their carbon footprint over time. To support this, we remain signatories of Climate Action 100+, the Institutional Investor Group on Climate Change (IIGCC), and more recently the Net Zero Asset Managers initiative (NZAM). As already described, we include a dedicated assessment of climate related transition risks in all key research notes. In a case where climate related risk is deemed material, the analyst will undertake a more detailed analysis, often leveraging the TCFD framework. This will then be debated by the investment team as part of the risk analysis of a business.

As a Value manager we can be invested in sectors such as energy and aviation, whose decarbonisation play an important role in the transition to net zero. Where it is deemed material therefore, we prioritise our stewardship activity and behaviour as a responsible shareholder. Our long-term investment horizon and concentrated portfolios can facilitate constructive dialogue and provide patient capital to support change, and below we outline our activity and progress here during the reporting year.

Guided by the Stewardship Committee, we have year-on-year evolved our approach to addressing climate risk as a systemic risk across portfolio companies. In 2022, we refreshed our understanding of investee companies' alignment to net zero by 2050 and engaged based on our findings. Our global strategy which represents 75 percent of our assets under management, and our most vocal client base, became our focus. We prioritised our engagements in two main ways. Firstly, investee companies that had yet to publicly commit to net zero emissions by 2050 or had not adopted science-based verified targets. Secondly, companies with the highest real-world emissions, and consequently where we saw the most material scope for value-add.

Within the first category, we identified that 78 percent of holdings had set a net zero carbon reduction target, however 65 percent (15 holdings) were not adopting science-based verified targets. We engaged across these 15 holdings, and in every example but one, our outreach led to greater dialogue. The one position where engagement was challenged was Berkshire Hathaway, and in this instance, we sought collaboration through Climate Action 100+. We describe this in greater detail in Principle 10.

At the time of writing, we have seen improvement across the portfolio. 91 percent of investee companies within our global strategy have a public target related to net zero, representing an increase of 13 percent. Furthermore, 35 percent of these had targets validated by the Science Based Target initiative (SBTi). Whilst there is still progress to be made, our conversations provide greater confidence that our investee companies are dedicating time and resource in their response to climate risk. Our campaign will continue with an objective to continue to preserve value for our clients, advocating for behaviours that will support the decarbonisation of the economy, responding to what we see as a market-wide risk.

Within our second grouping, where the focus is on firms with highest real-world emissions, in principle 9 we provide a detailed description of engagement via a case study of NOV Inc. NOV is an oil services company based in the US primarily serving offshore oil and gas companies, as such, the company is at risk from the transition to renewable energy. As a top 20 shareholder, and as one of the few European investors, NOV became a priority during our engagement campaign as we saw the opportunity to raise awareness, and advocate for change.

Beyond the described prioritisation process, a sector level overlay was also applied. This is in part driven by materiality, for example banks arguably have a more pivotal role to play than technology companies. Additionally, a sector approach facilitates deeper understanding of sector specific risk, supports a deeper dialogue on a company basis, and allows for communication of best practice. Within our climate related engagement campaign in 2022, the aviation sector became one such focus.

Aviation represents 2 percent of global emissions and close to 60 percent of our Global portfolio's financed emissions on a scope 1 and 2 basis. Progress here is therefore significant to the reduction of our own footprint, as well as material to real world emissions. Under the guidance of SBTi, alignment with the Paris Agreement requires the aviation sector to reduce average carbon intensity by around 35-40 percent between 2019-2035, or 65 percent from 2019-2050. With technologies to support this still in the early stages, the roadmap for meeting this is not prescriptive. Instead, a broad outline includes improving carbon intensity through fleet renewal, improved operational efficiency, and the adoption of Sustainable Aviation Fuels (SAF). Our engagements explored each airline's approach to these in their progress on target setting.

easyJet

During the third quarter of 2022, easyJet outlined an emissions reduction target of 78 percent by 2050 with the remaining 22 percent captured through carbon capture utilisation and storage (CCUS). Alongside this target, which has achieved SBTi verification, easyJet announced a shift in their strategy which saw the focus move from carbon offsetting to investment in technology. In December, we met with their management team with an agenda item to better understand the detail behind what appears to be an ambitious target relative to peers. They explained that their nearer term reduction target to 2035 relies purely on fleet renewal, which is consistent with what we hear from others. They are however more optimistic on the role of hydrogen longer-term and through partnerships such as those with Rolls Royce and Airbus, are investing in several exploratory projects, to address their longer-term targets and reduction in emissions. We are encouraged by SBTi's oversight of easyJet's targets and their position on the working group. As the evolution and results of their investments will take time, we will continue to monitor progress during our engagements with the company.

Southwest Airlines

Our engagement with US based Southwest Airlines in November highlighted a pragmatic but more pessimistic view. Whilst they appear to have made progress on strategy in recent years, they could not get comfortable with the targets outlined by SBTi, arguing that the intensity reduction expectations were unrealistic. In discussion with a sustainability employee and the head of investor relations, they explained that the optimisation of their fleet was a key driver of their near-term decarbonisation strategy. Their view around the scalability of new technologies was more sceptical than easyJet and their focus is predominantly on the procurement of SAF which they suggest will require significant shifts in policy to scale to the levels required. They are working closely with government and local states on this. With constructive dialogue, we emphasised the need to formalise reduction targets and to work with a third party to verify their science-based alignment with net zero.

Historically, the industry has been heavily unified, with global bodies such as the UN ICAO (International Civil Aviation Organization) and IATA (International Air Transport Association), that strongly influence its direction. It will be several years until we better understand the viability of a hydrogen powered plane, or the production and scalability of SAF. As well as continued dialogue with our investee companies therefore, the role of policy will be crucial to the future direction of the industry. This again influences both our evaluation of risk, as well as our engagement efforts, as we consider how best to interact at this level.

We continue to evolve and refine the incorporation of ESG factors over time, guided by the day-to-day learnings of our engagements, our industry and regulatory commitments and feedback from other important stakeholders such as our clients. Importantly, we continue to focus on what we believe to be most material to our clients, taking account of our investment style as a concentrated Value manager. Our second engagement campaign of 2022 addressed the diversity of leadership at investee companies. We outline this in Principle 7 and explain why we view progress on diversity as important to addressing risk.

Principle 5 – Signatories review their policies, assure their processes and assess the effectiveness of their activities.

Assurance of our stewardship policies and process is a key responsibility of the Stewardship Committee. As mentioned, the committee sets objectives at the start of each reporting year aimed at refining our process based on the knowledge gained from the previous year's engagements and shared best practices. Historically we have not relied on third party assurance. This is for two main reasons. Firstly, we have not found a suitable external body able to provide this service. Secondly, as signatories of the UN PRI our stewardship process and policies are reviewed and rated and we receive a detailed assessment report, covering governance, ESG integration, engagements and voting. We believe this assurance process to be robust, providing granular feedback that we are able to act on.

In our latest PRI assessment (2021), we received 4* out of 5* in the three categories that we were evaluated for. In two of the three categories, Investment & Stewardship Policy, and Voting, we scored higher than the median for the module, and for Incorporation for active listed equities, we scored 71, in line with the median. Areas highlighted for improvement across the report include pre-declaration of votes, as well as reducing the time between our vote and disclosure of voting activities. In 2022, where relevant during engagements, we proactively provided feedback to investor relations and/or company management on voting intentions or recent voting activity where we deemed this to be material.

An example of our deepening dialogue around what we consider to be a meaningful vote can be illustrated through our ongoing dialogue with BT. BT continues to use heavily adjusted metrics for its incentive schemes. These adjustments vary in nature from year to year but continue to cause concern. In 2021, we voted against the remuneration report which represented a vote against management and ISS. Having detailed our concerns in writing to the company in 2020, we repeated them once more in an email discussion with the company secretary. The vote passed with 96 percent in support of management.

Our concerns were not alleviated through discussion and in 2022, faced with a similar choice, we voted against the remuneration report. Once again this represented a vote against management and ISS. The vote passed with 94 percent in support of management. We wrote to BT to repeat our concerns that we do not believe their policy creates strong alignment with shareholders and ahead of this year's AGM, as the Directors' Remuneration Policy was undergoing review, we shared our thoughts directly with the Chair of Remuneration Committee. Although we appear to hold a minority view, we remain consistent with our feedback.

One area that has been highlighted for improvement, is engagement with public policy makers. A UN PRI report noted in 2021, that only 42 percent of members engaged with policy makers directly and that this number was higher across asset owners. Their research identified an increase in both direct and indirect engagement with greater assets under management, likely due to greater resources available to larger managers. As a small firm, this is an area that we find more challenging and are actively seeking to improve. Where possible, we respond to consultations, and where we see strong alignment, we contribute our signature to sign on letters. Our membership to the IIGCC provides some opportunity to do so. We are thoughtful about increasing our direct engagement and look to the aviation sector as discussed in Principle 4 as a potential opportunity to raise our voice.

In 2022, we continued to evolve our processes and policies. We ensure that our policies evolve in line with our industry commitments such as NZAM, and regulatory frameworks such as the EU's Sustainable Finance Disclosures Regulation (SFDR). Feedback from clients also informs the direction. Day-to-day, we have increased ESG related information that is provided as standard in our investment notes, as well as included more descriptive policies and processes in public documents.

In terms of reporting, we publish a quarterly proxy voting and engagement report on our website. This provides a summary of our voting action and describes our engagement activity for the quarter. Reports are written by a member of the investment team to ensure depth of understanding and circulated for review to ensure an impartial assessment that reporting is fair, balanced and understandable.

Principle 6 – Signatories take account of client and beneficiary needs and communicate the activities and outcomes of their stewardship and investment to them.

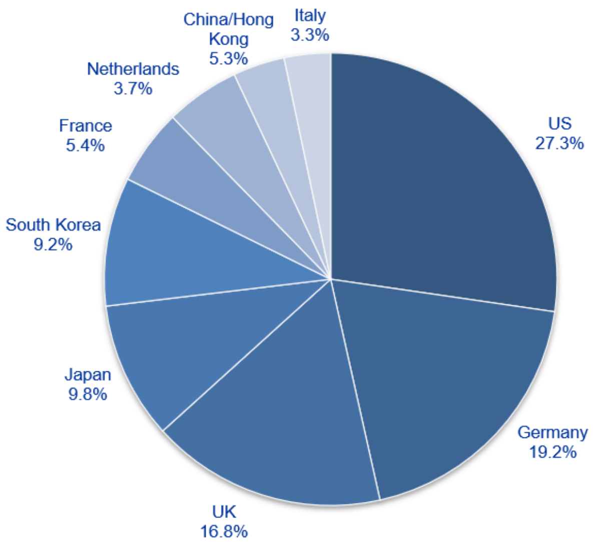
As outlined in Principle 1, total assets under management were around US$2.7bn as of 31st December 2022, in a combination of segregated mandates and pooled vehicles. The firm has around 160 clients including families, high net worth individuals, pension funds, endowments, and charities. The majority of our assets under management are institutional in type. We have a global client base, split predominantly between North America and the UK.

Strategy AUM breakdown (as of 31 December 2022)

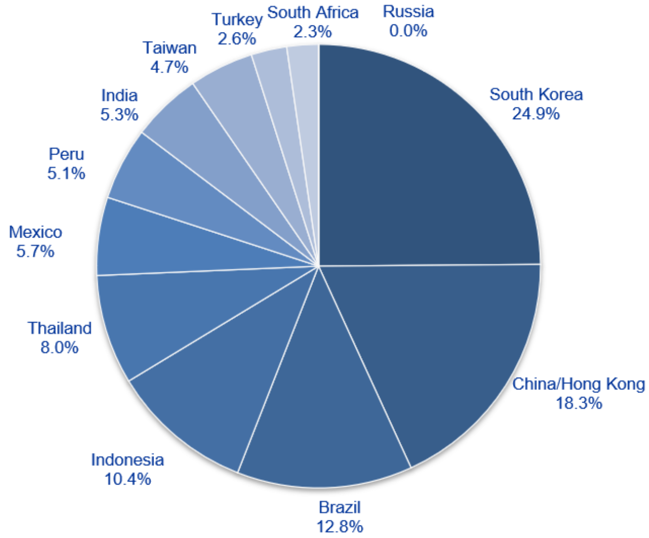
Strategy	No. of investors	US$m
Global Equity	62	2,221
Emerging Markets Equity	53	304
Emerging Markets ex-China	2	21
Global Equity Income	58	33
Global Smaller Companies	38	32
EAFE Equity	15	46
International All Cap Select	11	59
Total	161	2,729

Geographical breakdown of invested assets by strategy

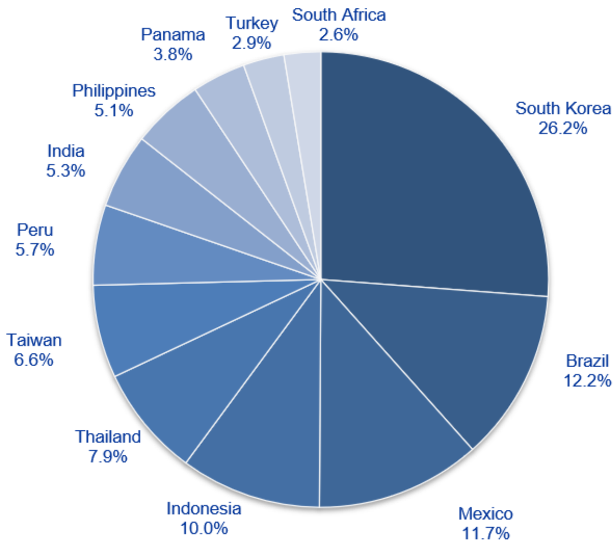
Global Equity



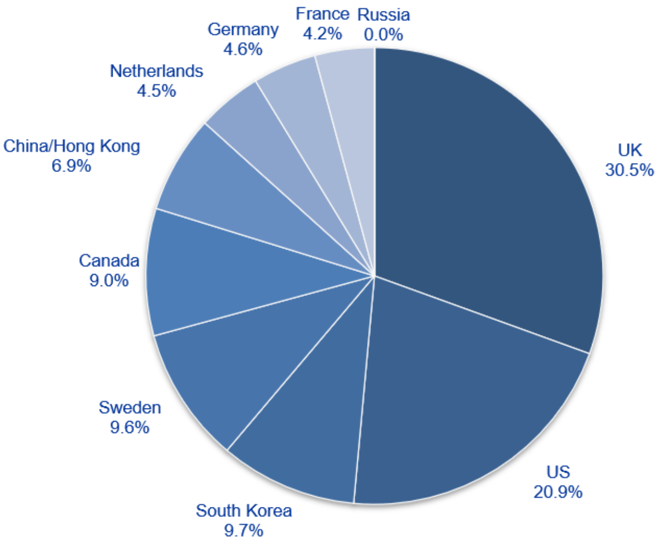
Emerging Markets Equity

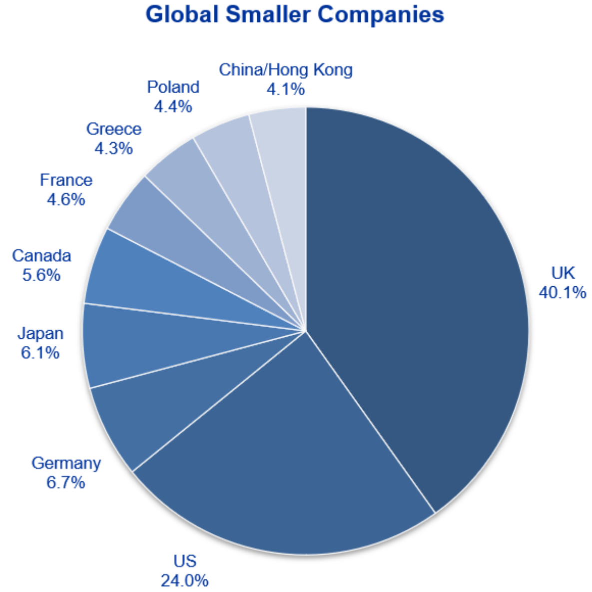


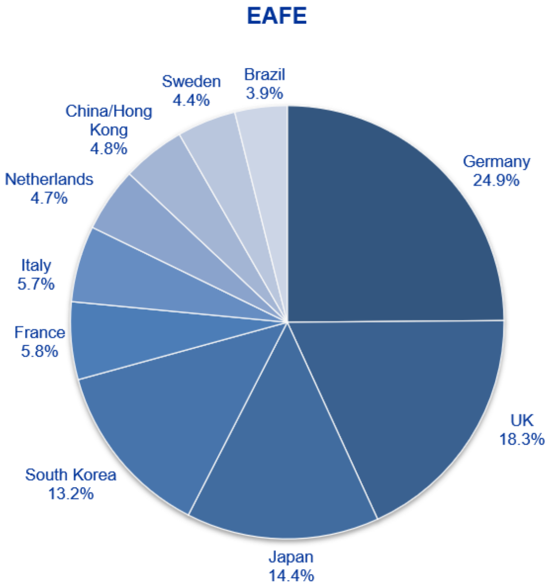
Emerging Markets ex-China



Global Equity Income







Source: OP and MSCI ©.
Date: as at 31st December 2022.
Representative portfolio used.

As described, our investment approach and our ownership structure are set up to focus on the long term, aligning to the investment horizon of our clients. This is essential to take advantage of one of the biggest inefficiencies of the markets today, the short-termism of most of the participants and the tendency to hug indices. Taking the global equity strategy as an example, our objective is to outperform our benchmark by between 2-3 percent over a rolling five-year period. The other strategies at OP have very similar investment horizons.

We value open relationships with clients, clear and frank written and verbal communications, with candid coverage of the things that go wrong as well as those that go right. Many of our clients have been with us for a long period of time which facilitates open conversations with team members throughout the organisation. Our Managing Partner is regularly involved in meeting with clients and as a result, feedback is gathered directly at a senior level. The decision to create an additional position within the investment team, dedicated to ESG, was driven by our Managing Partner, in recognition of the growing needs of our clients, and our desire to respond fully to them. As a small firm, change, when required, can be implemented quickly.

Aligned with our clients, and the broader industry, climate change remains a key priority and as described in Principle 4, it was a focus of a targeted engagement campaign for 2022. Building on the work completed in prior years, we prioritised companies that had yet to make a public commitment to net zero by 2050. Subsequently, we turned our attention to targets that are not yet science-based, and in this second category we focused on companies with the highest impact on real world emissions, or where we believed we could add value. In addition, female representation on the boards of our investee companies was raised as a priority by a number of clients, resulting in our second engagement campaign for the year.

We maintain a regular dialogue with our clients to ensure we are continuing to work to meet their needs in this way and providing the appropriate level of transparency into our actions. We publish our stewardship and voting activities on a quarterly basis. This report provides a description of proxy voting, as well as our key engagements for the quarter. This is publicly disclosed via the website.

Where requested, OP also provides regular reports of stewardship activities to its clients, including detailed proxy voting records pertaining to the individual client. The frequency and contents of the reporting are agreed between OP and the client at the inception of the mandate and are generally incorporated into the investment management agreement. Individual client reports can include the same detailed disclosure as those published on our website – so a description of key engagements for the quarter, and a description of proxy voting. Some clients have requested that we only send the engagement description, while others who have their own voting policies have requested a record of all voting instances where they have decided to vote differently from us.

Often in the case of segregated accounts, quarterly meetings or calls are the norm, where we will seek the views of our clients and inform them of our investment activities, including stewardship and engagement. The relevant portfolio manager would be available for conference calls and meetings in London or elsewhere as required, however, each client also has a relationship manager responsible for the relationship and able to help with providing information and data as necessary. This last reporting year we had 70 meetings with our clients, representing a slight year-on-year increase.

As a standard procedure, a monthly newsletter is sent by email in respect of each of our portfolios which includes basic information such as portfolio size, NAV price, performance, top holdings and geographical and sector exposure, and commentary is provided quarterly. In addition, for pooled investors the fund administrator sends a monthly or annual valuation statement to each investor. We are happy to discuss any reporting requirements investors have and to provide full disclosure of portfolio positions. On top of this we are happy to have client meetings as frequently as clients need where we welcome open and honest discussion. Each client is assigned a relationship manager from our Client Relations team. For full transparency, all contact details are available on the 'Contact Us' section of our website.

For our flagship Global Equity Strategy, we hold a formal investor update twice a year where we invite prospects and clients to hear the portfolio manager discuss the portfolio. In the invitation to these events, we encourage questions either to be sent in ahead of time and we leave time after the presentation for any further questions. For our smaller strategies we hold these events on an ad hoc basis. The presentation has evolved in recent years to reflect growing client interest in our approach to ESG. Having previously in 2021, introduced an overview of our approach, the integration of climate considerations, and engagement examples, in 2021, we added to this, presenting carbon metrics to provide additional transparency. In 2022 we began to present more in-depth information on our engagement approach and objectives, with the use of case studies to bring this to life. Our material continues to evolve in line with investor priorities. By proactively addressing these areas we aim to provoke questions and feedback that can be incorporated.

Building on an objective from 2021, we continue to evaluate the effectiveness of our approach and our ability to deliver on the needs of our clients. Each quarter our Stewardship Committee has a standing agenda item to review client and consultant feedback from the quarter, trends observed through conversations with prospects or peers, as well as industry material. As described, our committee includes a member of the client relations team, and they lead this discussion. Growing client interest in biodiversity in 2022 was an example of this. Whilst a recognised framework in the form of the Taskforce for Nature Related Financial Disclosure (TNFD) was not made available until 2023, growing interest prompted us to consider this in our investment discussions. As a result, when carrying out initial analysis into a producer of dietary supplements, due diligence on the sustainable sourcing of soy became part of the discussion with the company in question.

As most of our clients are institutional investors, we interact regularly with investment consultants, the client advisors, as well as their broader research teams. Similarly, to previous years, throughout the course of 2022, we completed several dedicated ESG due diligence documents, questionnaires, and industry studies. The feedback gained through these has been a helpful measure of our progress, highlighting our position relative to expectations, and to peers.

As described in Principle 2, the firm and its partners are supported by the majority-independent board of Oldfield & Co. (London) Ltd, a corporate member of Oldfield Partners LLP through which the external shareholders hold their interests. In 2022, we made two new appointments to the Board. We are fortunate to have gained the expertise of Debbie Clarke as one of the most prominent figures in the investment industry. Debbie retired from Mercer in 2021 after more than 15 years as Global Head of Investment Research. Her experience provides invaluable insights into the needs of institutional investors, as well as the evolution of the investment industry. Joined by Robin Hindle Fisher, Robin is chair of the social impact investment firm Big Society Capital and recently stepped down from being Deputy Chairman of Ruffer LLP. His previous roles include Head of Institutional at Deutsche Asset Management. We are confident that with the addition of two extremely experienced individuals, we are strengthened with an additional sounding board, as well as a challenge, as to how we best take account of the needs of our clients, and broader beneficiaries.

Principle 7 – Signatories systematically integrate stewardship and investment, including material environmental, social and governance issues, and climate change, to fulfil their responsibilities.

We have described in Principles 1 and 2 about how considering ESG risks and opportunities is a necessary part of the fundamental analysis we carry out when evaluating investment ideas. As described above, all our investment analysts have access to MSCI ESG reports at an industry and company level. These reports cover a wide array of ESG factors, including corporate governance & behaviour, corruption & instability, biodiversity & land use, carbon emissions, community relations, health & safety, and toxic emissions & waste. These reports are used as a starting point for the investment team to make their own proprietary assessment and analysis. From here the investment analyst prioritises those ESG issues deemed most material to the investment thesis. These issues will therefore vary on a case-by-case basis however, our priorities include good governance including the diversity of boards, climate change and seeking commitments from companies to target net zero emissions by 2050.

We have described how ESG factors and engagement on material issues are integrated at the idea generation stage and throughout the investment horizon. As such, the entire investment team are involved in this process. And we have noted how stewardship objectives form a part of the appraisal process for investors when determining discretionary bonuses. Finally, we have described how the Stewardship Committee interacts with the investment team, monitoring the progress of our engagement efforts, setting firm-wide ESG objectives and sharing best practices.

It is worth noting that we do not outsource any element of stewardship in our investment decisions. As mentioned, investors do have access to ESG research from third party providers such as MSCI, however this is taken as a starting point for our own appraisal of the material issues to an investment thesis. And as already described in Principle 2, we do not use service providers to conduct engagements on our behalf. We have also already described how we employ the services of ISS to manage the voting process and assist our decision-making. ISS provides analysis and voting recommendations for each proposal. However, the investment team always reviews these recommendations relative to each individual investment thesis. In some instances, investors will come to a different conclusion than that reached by ISS, in which case we instruct ISS to vote as we see fit. This includes reviewing whether ISS' recommendations are supporting the integration of stewardship in our investment process. One clear example of this is where voting against management can be an effective tool in the escalation of an engagement.

In Principle 3, we outlined a number of potential conflicts related to stewardship and the policies in place to help mitigate these. We also described that the Executive Partners and Board receive written reports on conflicts of interest arising and the steps taken to resolve them, at least annually, and that due to the small size of our firm, the close relationships that we maintain with clients, and the concentrated nature of our funds, the frequency with which these conflicts arise are limited.

Throughout the document, we have provided several examples of our climate related engagement. To fulfil our responsibilities, in 2022 we began to integrate social issues more systematically. In 2022 10 percent of our engagements were focused on social issues and although this is a relatively low percentage, it does mark an increase from previous years. How engagements are recorded is also slightly ambiguous. For example, there are two main areas where we began to consider social issues in 2022, the first related to the Just Transition which would typically be linked to an environmental engagement, and the second related to gender diversity on Boards, which we classify under a broader governance theme. We expand on these two areas below.

Much has been written on the Just Transition and we regard the Grantham Institute as an influential voice on the topic. The Grantham Institute describe the Just Transition as climate action plus social inclusion, and we approach the concept with this framing in mind. We aim to approach stewardship with a holistic mindset, and this can include the objective of incorporating the social consequences of climate change in our discussion. We believe this is an important part of promoting a well-functioning financial system, with the interests of society in mind. We have started to see more vocal examples of this.

For example, in our climate engagements with Lloyds, we understood that they were delayed in their SBTi approval process due the global nature of defined pathways and some divergence in their approach to housing in the UK as a result. As it relates to mortgages, Lloyds are looking to create an inclusive approach. Rather than withdrawing mortgages from clients that do not meet certain standards in the short term, they are working to educate clients and have a target of £10bn of green mortgage lending by 2024, collaborating with the government to incentivise people to retrofit their homes, and partnering with Octopus to do so. Even though SBTi approval of climate targets is something that we strongly encourage across our portfolio companies, in this example, we support the approach taken by Lloyds, addressing climate issues in conjunction with the objective to create greater inclusion and real-world impact. We therefore support an extended timeframe in which they work for SBTi approval.

With regards to gender diversity on Boards, this became the focus of our second engagement campaign for the year and once again we prioritised systematic integration in our global strategy where our clients were greatest advocates for this. In other strategies, it was approached in a less stringent fashion. Through a collaborative dialogue with companies, we advocated for 30 percent female representation on Boards as global best practice. Research suggests that 30 percent is the threshold where you cease to be a minority and studies into this level of diversity point to a reduction in volatility of the company's share price. In 2019, 59% of Board appointments in the US were female or another minority groups and therefore as a shareholder, we began to highlight the importance of progress in this area, with a view to ensuring our portfolio companies did not fall behind.

50 percent of companies within our global strategy fell short of this requirement when our campaign began, however a high response rate of 82 percent and constructive discussion illustrated responsive teams and a desire to make progress. Moving into 2023, average female Board representation across the strategy had increased to 33 percent. Although there was no formal collaboration with other shareholders on this topic, based on the reception, it was clear that we aligned with the expectations of other stakeholders.

Whilst we consider this to be a basic expectation for large companies in developed markets, different regions have varying levels of progress. Of the constituents of the MSCI ACWI Index that had no female directors for example, 71 percent were Emerging Market firms, pointing to the slow rate of Board transformation toward more gender diversity in those regions. There are of course exceptions and during our engagement with Alibaba in China for example, the company improved from 20 percent on first writing in August, to 25 percent shortly after. They closed the year with 30 percent female representation, a level that they intentionally now maintain. Whilst we therefore view 30 percent as global best practice, we are sensitive to local norms and therefore integrate these views less systematically in our Emerging Markets, or Smaller Companies strategy for example.

To further support the systematic integration of social issues into stewardship and investment, in 2022 we endorsed the UN PRI Advance Initiative, an initiative whose objective is to advance human rights and positive outcomes for people through investor stewardship. In the coming year we will outline a due diligence process to enhance our work in this area.

Principle 8 – Signatories monitor and hold to account managers and/or service providers.

As outlined earlier, all our investment analysts have access to MSCI ESG reports at an industry and company level. These are used as a starting point for their own proprietary assessment and analysis. We are wary of assessing the ESG fundamentals of a company based solely on the rating ascribed to it. These ratings are backward looking and there is usually a lag between changes in a company's fundamentals, and a corresponding change in the ESG rating. We are also conscious that the rating system itself can only be as good as the underlying data available. In situations where our own assessment of material ESG issues diverges meaningfully from that of the MSCI report, we contact MSCI in an effort to gain a more detailed understanding of this difference in views. One area that we have explored with them is discrepancies in company emissions data, between their records and our own data gathered directly from company reports. Although this can often be attributed to ongoing inconsistencies in Scope 3 reporting, they have encouraged us to continue to share examples as this has implications for all users. In 2021, we broadened our subscription to include access to Climate Lab, an additional tool incorporating more detailed climate VAR and sensitivity analysis. In 2022 we spent significant time with our Client Consultant to ensure we were correctly navigating the system.

We recognise value in their webinars and efforts to add value to their users via sector focused thought pieces, with both mediums helping us to better understand the analysis that sits behind their ratings. In 2022, as we were exploring risk in the pharmaceutical sector, related to our investment in Sanofi, we spoke to sector specialists at MSCI for their view on product safety and quality, based on their recent paper *Quality matters: Trends in warning letters and recalls across healthcare companies*. Much of our time had previously been focused on climate related issues and this was an opportunity to explore their research approach outside of this. We continue to build our interaction with MSCI to ensure we are making full use of the capabilities available to us, however, we do also think it is important to continue to understand the alternative offerings available, to ensure that over time we are partnering with the provider that best suits our needs and our delivery to clients. We therefore continue to meet with their competition on an ad-hoc basis.

We have already explained that we undertake our own engagements and due to the highly concentrated nature of our strategy, there is no need for us to outsource to third parties. We do use MSCI's 'Controversies Alert System' to help alert us to any controversies specific to the companies we are invested in. However, we do not rely on their engagement services preferring instead to take on the responsibility of engagement ourselves. These providers are used to complement our own engagement efforts, not for outsourcing purposes.

We have described how OP employs the services of ISS to manage the voting of proxies and assist our decision-making. We evaluate the services of ISS on an annual basis. This assessment considers factors such as the quality of the analysis and voting recommendations, the technology that ISS provides as part of the service and any potential conflicts of interest. We remain satisfied with their technology platform, we are alerted to upcoming events, and research can be accessed easily. There is also the ability to sort and screen by various factors which we find helpful. The voting process is simple and efficient. Equally, we have reviewed and are comfortable with ISS's procedures for identifying, disclosing and addressing potential conflicts of interest.

We are generally happy with the quality of analysis that ISS provides. We read and review the research before voting; this research is generally thorough, and conclusions are clearly communicated. There are occasions where interpretation of the data may differ and there are also occasions when, in our view, some of the conclusions lack consistency. However, we can draw different conclusions and have the discretion to vote in a different way to any recommendation if we chose to do so. We outline these differences and our reasoning to clients.

In our previous submission, we noted our intention to improve feedback that we provide to ISS. Our votes against them in 2022 fell to 3 percent, in line with 2020 levels and a slight reduction from 2021. We outlined that when our conflicting views are led by detailed research, and in the knowledge that they also engage with issuers, we recognised the potential value in greater transparency through feedback to them.

During the most recent AGM season, one such example related to easyJet. In the research that we received from ISS, we noted that a component in their governance scoring had been upgraded from 10 to 1 and we were unable to identify the reason for this significant jump. After dialogue with ISS we understood that nothing material had changed at easyJet in order to account for this, rather they had changed the way in which they make information available to ISS.

We reflected to them that easyJet had scored 10 consistently over the past 7 years, or as far back as the data allowed us to see. In November 2022 therefore it underwent a dramatic and sudden improvement in scoring from 10 to 1. We noted that although this was only one indicator in the overall Quality Score, it was a very significant uplift based on no material underlying change and therefore we saw this as misleading to readers of their research. ISS took our feedback on board however suggested that we consider a subscription to their Quality Score data, at greater cost.

In 2022, we took the opportunity to respond to their proposed Benchmark Voting Policy changes and began to interact more frequently with our dedicated relationship manager. Having leveraged their benchmark policy for some time, we took the opportunity to review the alternatives, with their input and guidance. We document this further in Principle 12. In 2023 we collaborated with other UK investors via the Investor Forum to provide feedback on a number of areas including our support for a net zero-aligned policy. We will provide more detail in next year's submission.

As one of the leading providers of proxy advisory services, covering thousands of meetings each year however, we are comfortable that ISS has both the capacity and resource to successfully provide the proxy advisory services. ISS employs people around the world to conduct research and provide recommendations, and we are reassured that its methodologies and guidelines are reviewed and updated regularly.

Finally, the third service that we subscribe to, as described in Principle 2, is ESGAIA. The team at ESGAIA recognised that engagement management was often inefficient which as a result did not support successful outcomes. They therefore provide specialised software to centralise engagement management and there are a number of functions that we value. For example, the ability to outline objectives and milestones for an engagement, as well as set timeframes for progress, serves as a helpful reminder to ensure these remain on track.

As noted previously, ESGAIA is a new provider and their technology continues to evolves in line with the needs of their clients. In 2022 we sought to improve the reporting output in order to deliver meaningful updates to our clients in an efficient way, as well as continuing to explore bringing together different aspects of our stewardship activity including linking controversies to company engagement and voting records to provide a holistic view of our approach to a company.

Principle 9 – Signatories engage with issuers to maintain or enhance the value of assets.

We believe that engagement is a fundamental part of our role as active managers. We have already described how, as part of the risk assessment of a business, investment analysts will identify ESG issues deemed as a material risk to an investment thesis. There is a dedicated ESG risk section in all key research notes, and these issues will be debated by the wider investment team in our weekly team meetings. Once we become shareholders, we seek to engage with the company on these issues. This is either done through the discussions we hold with company representatives within the ordinary routine of interaction, or we may decide to extend our engagement activity and/or escalate specific areas of concern in order to effect the change we are seeking. Such decisions are made on a case-by-case basis, influenced by factors such as the materiality of the issue and the size of the holding relative to our total AUM.

At the outset of an engagement, we record a clear objective. Because we engage on those issues which we deem to be a material risk to the investment thesis, it is this risk assessment which forms the basis for identifying and determining the objective. However, as outlined in previous submissions, we do continue to take a nuanced approach to setting a timeline for our engagements. As value investors we believe a patient, yet persistent approach is more likely to deliver meaningful change, and therefore superior returns for our clients over the long run. We are motivated to engage with companies and effect change in material ESG issues, since this will contribute to de-risking the investment case. But where we see a credible strategy to improve these issues is being formed, we are willing to give management time to deliver this change.

In the case of net zero for example, expectations vary across regions and sectors and we take this into account when enacting and overseeing our engagements. As our activity related to climate has increased, we are thoughtful about how we prioritise our engagement efforts. As described in Principle 4, for our Global fund for example, we expect our investee companies to have made a public commitment to achieving net zero by 2050, with the next step as having their targets verified by a third party, and ideally, the Science Based Targets initiative (SBTi).

Where a company has not yet made a public commitment, we will automatically engage to state our expectation and to understand the challenges that prevent them from meeting this. For our Global fund, where investee companies typically have a market capitalisation of ten billion dollars or greater, we believe there are limited reasons for the absence of targets, in the first instance.

In our previous submission, we noted that for our Global Smaller Companies and Emerging Markets strategies, they are generally lagging large-cap, developed market companies in their approach to setting net zero targets and adopting science-based targets. Whilst this remains the case in many examples, we have increased engagement across our Emerging Markets portfolio holdings in relation to climate and environmental issues and have been positively surprised by the response. We will document this further in our 2023 submission.

Where there is overlap in our holdings, we collaborate where possible in order to effect change. An example of this, and a priority engagement for 2022 is NOV Inc. a leading oil and gas servicing company, based in the US and held within our Global fund and Global Smaller Companies fund. In this instance and in the case study that follows, the lead Analyst, Portfolio Managers and Responsible Investment Lead collaborate to inform the dialogue with the company, with the objective of navigating both near and long-term risks and opportunities, in order to support and enhance the value of the investment over time.

NOV Inc.

NOV Inc. is a leading US oil services company providing equipment and consumables to the oil and gas exploration and production industry. Its scale and breadth are key advantages, as is its aftermarket business which appeals to customers looking for reliable single source providers that can meet most or all their equipment and related service needs. The company is well positioned to capitalise on demand for advanced systems to increase drilling and production efficiency and develop renewable energy capacity. NOV's low capital intensity supports its ability to convert a large portion of EBITDA to free cash flow and has enabled the company to be free cash flow generative throughout the last two decades.

Diversification of the Business

The company faces risk from the transition to renewable energy, as much of their revenue currently comes from producers of hydrocarbons. However it became clear during our engagements that NOV also view the transition as a business opportunity due to significant overlap with their existing expertise and client base. They are taking a two-pronged approach to this.

Firstly, given their position within the oil and gas value chain, a crucial contribution to reducing the industry's carbon footprint will be through minimising emissions from core oil and gas operations. Management, have for example, focussed on providing more efficient products that reduce the energy intensity of drilling. This is seen by the IEA as a first-order priority.

Secondly, NOV is leveraging its core competencies to provide solutions for emerging alternative energy markets. They are taking a diversified portfolio approach, exploring opportunities in partnership with oil majors such as BP, who make up a large part of their client base. NOV are focused on revenue opportunities that overlap with their existing capabilities, for example capabilities in offshore wind overlap with rig technology, and development of carbon capture and storage overlaps with wellstream processing technology.

Signs of Progress

NOV's most recent sustainability report outlines two measurable points of progress. Firstly, a reduction in their emissions intensity (scope 1 and 2) of 21 percent compared to 2021; and secondly, an increase in their renewable energy-related revenue amounting to $332 million in 2022, double the total from 2021. Going forward, 10 percent of every eligible employee's target bonus in 2023 will be tied to a performance goal related to total revenue from energy transition initiatives.

From a disclosure perspective, the assessment provided shows an increase in data coverage from 10 percent to 30 percent over the past 12 months, with improvement outlined in the categories of Risk and Governance. Although we note some improvement, we see this as insufficient and are impatient to see further progress. Our current focus is engagement with the company and with three discussions over the past 12 months, we have emphasised our expectations via feedback to the Board.

Engagement & Disclosure

Oldfield Partners are one of few European investors in NOV. As a top 20 shareholder with around 2 percent ownership, we are invited to provide feedback to the Board on a quarterly basis. NOV often emphasise that they will continue to do what is best for and expected by shareholders, and as a high conviction investor, with a long-term investment horizon, we intend to use our position to continue to advocate for change.

During a discussion with the Head of Investor Relations, they shared with us that the tone from many investors had shifted. Whilst in 2020-2021 there had been a focus on understanding how NOV were pivoting their business to total decarbonisation, in 2022 investors were generally more balanced between the legacy business and renewables, driven largely by energy security concerns. We recognise different dynamics between US and European investors and see our role as emphasising global standards and disclosure frameworks as evermore important in this context.

We outline four key tangible feedback points below that we have shared with the company.

1. Establish a robust baseline
2. Outline scope 3 emissions
3. Establish a net zero target including near- and medium-term targets:
4. Report via a TCFD framework

Escalation & Next Steps

Our starting point is always to adopt a collaborative approach with management with the aim of establishing a constructive dialogue, however if progress continues to be challenged, we consider the following as options for escalation in the next 12 months.

1. Broaden discussions to additional members of the team and Board. For example, engagement with the new Product Commercialization Director for Renewables, a newly created position, to better understand strategy and/or a direct discussion with the CEO.
2. Collaboration with other large shareholders to amplify our voice.
3. Voting against key directors at next year's AGM and making them aware of our intention in advance.

With the objective to maintain or enhance the value of our assets, this example illustrates that our approach to issuers can be consistent across strategies. However, other examples such as gender diversity on Boards, as discussed in Principle 7, highlight a different approach. Whilst our prioritisation process guides our approach and sets a framework, the concentrated nature of our strategies allow us to consider and adjust for nuances such as regional variation.

In our Smaller Companies and Emerging Market strategies, there can be less history to analyse, and we place more value on meeting with management. For smaller companies in Emerging Markets, we would rarely invest without having met the management team, and ideally on their premises. From the point of investment, under normal circumstances, routine engagement would typically occur annually, in person. This facilitates collaborative discussion on a broad range of issues, of which ESG would be one. In some markets, we are aware of the need to be sensitive about our engagement. There can be greater risk that engagement might offend/be received as overly confrontational.

We have explained the Stewardship Committee's role in monitoring the progress of our engagements. The Committee will review and sometimes challenge the method and process of engagement, drawing on insight from other ongoing engagements and industry best practices. We employ a variety of methods when engaging with companies. As described, our approach to engagement is sensitive to the cultural norms of different regions. For example, when engaging with Japanese companies, often we will follow up a call or in-person meeting with a formal letter to the senior management team. Investing in Japan can sometimes be frustrating and can require significant patience, collaboration and understanding.

In our previous submission, we described our interaction with Mitsubishi UFJ Financial Group (MUFG), a company that we have engaged with over many years across various governance items. We have found that our exposure to CEOs of Japanese companies is generally quite good, allowing us to have discussions and provide feedback at the highest level. In December 2021, we met with the then recently appointed CEO of MUFG, Mr Kamezawa. Throughout the history of our discussions, we have encouraged them to actively cut costs in their domestic business. The company has a solid balance sheet relative to global peers while it has been returning some capital via share buybacks, we felt that these could be far larger. It does have a good credit track record and yet it still trades at a large discount to global peers. With lower costs, the bank would generate a higher return on invested capital and a general improvement its capital management would provide higher profits and lower its cost of capital. Cost-cutting measures in its domestic operations are finally starting to come through and it has announced the disposal of its US operations at a significant premium to book. It is expecting to use these proceeds to resume share buybacks. The shares remain undervalued but one where perhaps our engagements are starting to bear fruit.

Our experience suggests that as a Value investor, initiating an investment during a more challenging period for a company can in fact help to foster relationships with management, shaped by a sense of loyalty and enhanced by our longer-term investment horizon and patient capital to support change. The outlined consistent dialogue with senior executives at MUFG, facilitated the evolution of discussions from a focus on reducing cross shareholdings, to those on the decarbonisation trajectory of scope 3 emissions, and the improvement of board diversity.

For example, following previous interactions, in 2022, one of our objectives was to bring attention to female representation on their board. We addressed this during a call with the CFO in July 2022, outlining the importance of increasing female board representation from

25 percent to 30 percent. We acknowledged that 25 percent is significantly higher than Japan's current average of 8 percent however as a leader, we encouraged them to make progress ahead of the 2030 regulatory deadline. We will continue to discuss their approach to progress in our discussions with them, in the normal course of business.

We disclose the full extent of our voting and engagement activity and outcomes in our quarterly company engagement reports which can be found here: https://www.oldfieldpartners.com/About-Us/ESG#.

Principle 10 – Signatories, where necessary, participate in collaborative engagement to influence issuers.

We believe collaborative engagement can be a powerful tool in effecting change, and we are members of several collaborative initiatives. These include the UK Investor Forum, Climate Action 100+, and the UN PRI. In our previous submission, we described our engagement with Korea Electric Power (KEPCO) through Climate Action 100+. We joined as a collaborating investor in the summer of 2020 and remained until our divestment in September 2021. A key motivation for joining the initiative was the opportunity to achieve greater corporate access which we had struggled with as an individual shareholder. In 2022 we sought a similar objective with Berkshire Hathaway.

As investors in Berkshire Hathaway, we have long been admirers of Warren Buffett. Historically we had no cause for engagement and have supported management through our voting practices. This was challenged however in 2021, as Berkshire Hathaway's level of climate related disclosure became increasingly out of step with expectations. Whilst we recognise that the principal industrial subsidiaries have been more transparent about their climate goals and related activity, we believe that at the parent level, Berkshire Hathaway must accept that management oversight of climate-related risk is essential and a growing necessity for doing business in today's society. As a significant contributor to the overall carbon footprint of our portfolio, their progress is crucial if we are to meet our commitment to achieving net zero by 2050.

Given the particular nature of Berkshire Hathaway and a very slim team at their headquarters, including a lack of Investor Relations support, engagement with the company is challenged. Following the initial recognition of the issue in 2021, in 2022 we voted against management on three resolutions, encouraging greater disclosure of climate-related risks and opportunities, as well as improved reporting on GHG emissions. Typically, where we identify issues, we aim to engage with a company, and rely on our vote as a means of escalation, in this instance we felt our vote was the only mechanism to provide feedback. Having raised our interest earlier that year, we were given the opportunity to join the CA100+ group as a collaborator in the fourth quarter of 2022.

Initially, we spent time with Robeco as a lead investor to understand the actions taken so far and their near-term objectives. These centred around discussions with Cathy Woollums, Chief Sustainability Officer for Berkshire Hathaway Energy, who leads a voluntary committee of sustainability officers for the broader set of subsidiaries at Berkshire Hathaway. Cathy has served as the main point of contact and conduit with the board, and progress has largely centred around a process of negotiation around the filing of shareholder resolutions. In the fourth quarter of 2022, the best support that we could offer as a collaborator was our intention to support a proposal, co-filed by CDPQ and CalPERS, that focused on the company enhancing their climate-related disclosures in line with the recommendations of the TCFD. In 2021, around 26 percent of votes filed were in favour of the shareholder proposal related to better disclosure of climate-related risks and opportunities and therefore we saw consistent feedback to the board in this way as an important tool amongst limited options.

At the time of writing, we understand that meaningful progress is most likely to be achieved through the evolution of the regulatory landscape via the U.S. Securities and Exchange Commission (SEC). However, we continue to seek ways to ensure our client's money is invested in ways that align to net zero by 2050. In 2023, as we looked to increase our role as an individual shareholder and contribute to the collaborative engagement, we wrote directly to Warren Buffet to provide feedback on our stance and the needs of our clients. We will develop this in our next submission.

Given the concentrated nature of our portfolios, there is more limited scope for us to work with groups such as CA100+ due to the narrow overlap of companies. Where there is overlap, we have made it known that we are keen to contribute to engagements. In addition, we seek to collaborate through additional forums such as the UK Investor Forum, as we highlight through the example of Rio Tinto below.

Rio Tinto

We have previously described the engagement led by the UK Investor Forum, following the irreversible destruction of First Nations sites of cultural and archaeological significance in the Juukan Gorge, in Australia. Companies have a responsibility to operate within the bounds of a social license, which includes respecting local land and people and, in this instance, Rio Tinto failed to adhere to this responsibility.

In 2020, we signed a letter as part of a group of 64 investors representing over $10.2trn in AUM. The letter called for a thorough explanation of the company's risks, and how Rio's policies and procedures were being implemented in practice. This was followed by a group call, attended on their side by senior figures including the Chair of the Board and the Chair of the Sustainability Committee, in which they recognised a genuine need for cultural reform and promised to provide greater transparency in the implementation of these changes.

Following this, during the first quarter of 2021, we took part in a call where the senior leadership team updated investors about management of cultural heritage at the company. Speakers included the group CEO, the Chair of the Sustainability Committee, the Chief Advisor of Indigenous affairs, as well as several other company representatives. We were encouraged by the progress of reform at the firm, in line with what had been discussed, and the outline of clear milestones and practical examples.

Meaningful progress since last writing includes the publication of the Everyday Respect report by Liz Broderick in 2022. To better understand this, we joined the collective engagement convened by the UK Investor Forum for a wide-ranging conversation with Dominic Barton, the Chair of the Board. The report identified disturbing findings of bullying, sexual harassment, racism and other forms of discrimination throughout the company. As a result, 26 recommendations were made following its publication and Barton confirmed that 85 percent of these had been actioned at the time of the engagement. Whilst this makes for uncomfortable reading, we are encouraged by the level of transparency provided to shareholders. Similarly, reports of complaints across the company have increased following the publication. However, in the near-term, Barton's view of this is positive, as a sign that employees feel more comfortable to voice their concerns.

Initially, the company recognised that the initial incident was "the result of a series of decisions, actions and omissions over an extended period of time". We understood therefore the complexity of the situation and the importance of cultural change at the organisation with improved governance oversight to support this. In our most recent engagement, Barton shared that culture is discussed at every board meeting. Furthermore, the remuneration committee is exploring how to set a robust measure for culture change in order to hold the leadership team to account.

We are encouraged by Rio Tinto's transparency, the recognition of the need for longer term cultural change, and improved oversight with accountability at the level of the CEO and the Chair of the Board. At this stage we don't see great value add in engagement as an individual shareholder but importantly we will continue to monitor progress and the collective engagement facilitates access to those that must be held to account. Importantly, Liz Broderick will publish an update to her report in 2024, and in the meantime, we look to the retention of women, as a signal identified by Barton, as an indication of change.

Principle 11 – Signatories, where necessary, escalate stewardship activities to influence issuers.

We have already described how, once we become shareholders in a company, we engage on those ESG issues deemed most material to the investment thesis. As mentioned, this is often done through the discussions we hold with company representatives within the ordinary course of interaction. However, we may also decide to extend our engagement activity and/or escalate specific areas of concern to effect the change we are seeking. Such decisions are made on a case-by-case basis, influenced by factors such as the materiality of the issue.

The process of escalation in our engagement can include withholding support or voting against management (and informing them); meeting/communicating with non-executive directors or the chairperson; collaborative intervention with other institutional investors; or engaging with regulatory or governmental bodies, where deemed appropriate and effective.

In setting objectives for escalation, these will be aligned with the objective of the overall engagement. The choice of escalation method will be assessed on a case-by-case basis and can be influenced by cultural differences across regions. As described in Principle 1, we recognise that our approach to stewardship often takes time to deliver conclusive outcomes. However, as Value investors we believe a patient, yet persistent approach is more likely to deliver meaningful change, and therefore superior returns for our clients over the long run.

We don't currently include divestment as a formal step in our escalation strategy, however where we see a challenged investment case, lack of momentum through dialogue with management, and the potential for near-term value destruction, this is an escalation step that we will pursue. This was the case with Toyota Motor Corporation, an investment that we held between 2014 to 2023.

On purchase in June 2014, Toyota was attractive as the world's largest auto manufacturer. With diversified geographical exposure to Japan, US, China, Asean and Europe, we expected Toyota to increase its sales volumes and market share in Europe and noted the huge potential in China, where the company was a late comer. Toyota were a leading hybrid manufacturer and investing in new technologies including solid state batteries and hydrogen. Whilst Toyota had committed to carbon neutrality and objectives that they argued were aligned with the Paris Agreement, during the period of investment we became increasingly concerned that their approach to battery electric vehicles (BEVs) would lead to a loss of a competitive position.

Toyota was held in our main Global equity strategy and over the course of our investment we held multiple conversations with company management, the capital strategy department, and investor relations. Dialogue intensified over time and from 2020 to 2022 we held up to three conversations per year with the company. Year-on-year we expressed our concern that their BEV target for 2030 was too low and eventually saw some movement, from March 2021 to November 2022 management raised targets from 1 million to 3.5 million. We were concerned that Toyota were unwilling to invest in a dedicated platform and were trying to build their BEVs on top of their existing TNGA platform. We became increasingly aware that Toyota would be forced to raise capex to redesign its e-TNGA platform to better support the design of BEV. After several years of related dialogue, in November 2022, management were forced to admit that it was not fit for purpose.

Given these risks and the company's intransigent attitude to meaningfully shifting its strategy over a period of years, we eventually determined that there was limited upside for the shares and sold out of the position. During our dialogue with the company, we were granted access to management and therefore didn't feel the need to pursue additional methods. We are however aware that Climate Action 100+ ran an engagement with the company and had our investment period continued, this is something that we could have considered.

Whilst our escalation framework is an important tool that guides us, this example highlights the advantage that flexibility allows, facilitated by our concentrated strategies and the ability to act on a case-by-case basis.

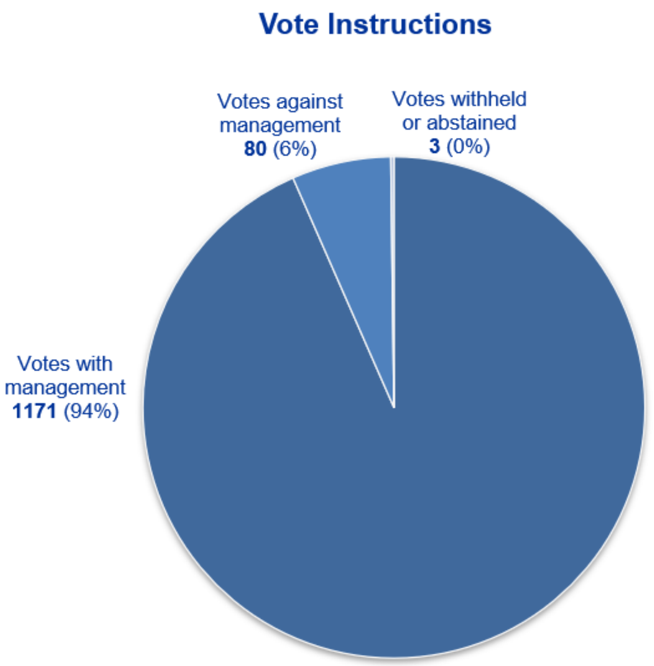
Principle 12 – Signatories actively exercise their rights and responsibilities.

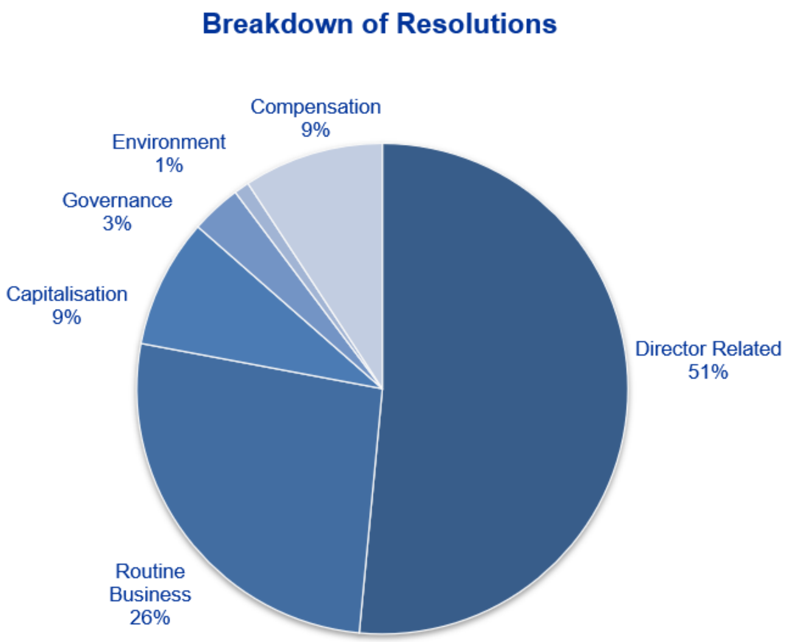
It is OP's policy to vote all shares where we are entitled to do so, except where there are onerous restrictions – for example, share blocking. As detailed in Principle 2, we employ the services of ISS to manage the voting of proxies and assist our decision-making. ISS provides analysis and voting recommendations for each proposal. OP votes in line with ISS recommendations unless we have a conflicting opinion about a particular issue, in which case we instruct ISS to vote as we see fit.

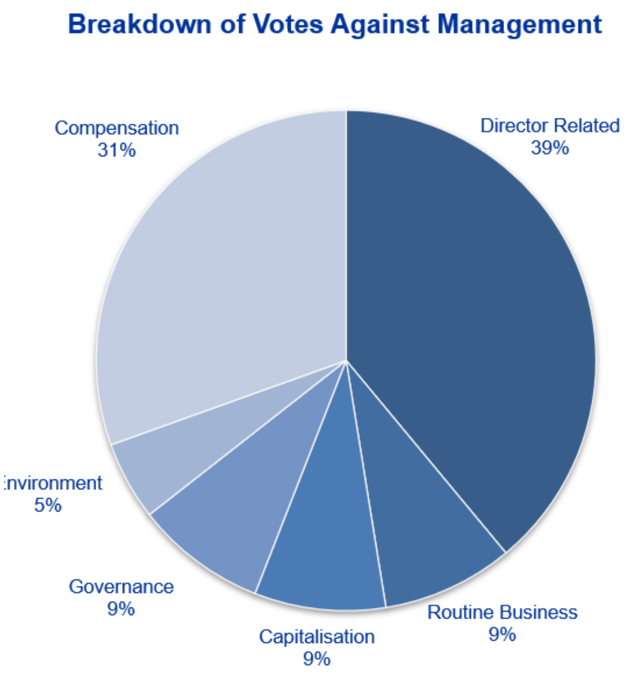
OP is notified of all general and special meetings for the stocks we purchase for our clients. All resolutions are reviewed by the relevant portfolio managers and lead analyst who in turn provide instructions on how to vote. Any voting decisions which differ from ISS's will be amended accordingly within the ISS platform prior to the voting cut-off. Given the concentrated nature of our funds, we believe it is an advantage that we can pay close attention to how we vote for each of our investee companies. Our research is used alongside that of ISS and allows us to address votes on a case-by-case basis rather than rely on standard, one-size-fits-all policies. This is true across all funds, assets and investment geographies. We receive research based on ISS' benchmark policy, however, we continue to explore the policies that they offer to their clients, including one which provides greater stringency on climate related resolutions. We have to date found the voting recommendations to be too extreme, for example voting against the entire board when climate disclosure requirements are not met. However, we will continue to monitor this in line with the evolution of our engagement priorities, to ensure that we are achieving the best alignment with our views and those of our clients and receiving the most relevant research insights and recommendations from ISS.

As described in Principle 3 when voting on companies held in more than one fund, if there are differing views, portfolio managers act independently, voting their portion of shares held. Although this is rare, we believe this approach allows each portfolio manager to act in the best interests of their clients. Where a client has specific proxy voting guidelines, we work with ISS to ensure that we vote in line with the guidance prescribed by the client, recognising that where the client has not delegated voting responsibility wholly to OP our first obligation is to follow the client's own preferred policy. OP does not currently facilitate clients' direct voting in pooled accounts but are aware of the functionality should client interest grow. Certain OP client mandates undertake stock lending. Where a stock is on loan ahead of a general meeting or corporate action, and we have discretion to vote or act on that client's behalf, we recall the stock (unless it is not in that client's interest). OP does not borrow stock for the purpose of exercising votes.

We publish a quarterly summary of proxy voting as part of our Stewardship and Voting Activities Report on our website. These reports include our voting records, as well as the rationale for cases where we voted against management or against ISS' recommendations. In 2022 we voted 100% of meetings which included 1374 resolutions. We voted in line with management in 94 percent of cases and against for 6 percent. This represents a very slight increase from previous years where our votes against management were 4 percent for 2021 and 5 percent for 2020. We provide a breakdown of votes for 2022 below.







Analysing our voting behaviour in 2022, we found that votes against both management and ISS were often focused around compensation related matters. In order to understand this better, we leveraged UK focused research from Edmans, Gosling and Jenter in CEO Compensation: Evidence from the Field and used this to analyse our interaction with easyJet, a company that we have discussed in previous submissions.

easyJet, the European low-cost airline, chose to raise what we thought to be an unnecessarily large amount of equity at a discount, whilst rejecting a takeover approach from a rival airline at a premium. Following this capital raise, the directors altered the incentive plan, moving the long-term structure from options to restricted stock units, in effect, guaranteeing management stock rewards. The underpins were based on liquidity, ESG issues and committee discretion. Crucially, it omitted any focus on relative or absolute financial or operational performance. Our frustration was amplified in the context of the recent takeover rejection.

In discussion with the Chair of the Remuneration Committee, we highlighted our dissatisfaction with the changes, sharing our concerns that management no longer appear to be incentivised by a plan that aligns them with shareholders. The discussion included our discomfort with the length of the vesting period of three years, whilst we thought five was more appropriate. Their final proposal did reflect some adjustments; however, they did not go far enough to achieve the alignment we sought between management and the interests of shareholders. We therefore used our vote to provide feedback of our ongoing discomfort.

Our interaction with easyJet highlights an area where we experience regular disagreement with directors on remuneration packages, namely, the length of incentive plans. On this topic, it appears that among investors, we are not alone. Edmans et al. show that 95 percent of investors believe that extending the length of an incentive plan would not impact the effectiveness of these incentives detrimentally. This compares with 43 percent of directors, who believe that it would. Whilst 78 percent of investors thought that a longer-term horizon would support the CEO in making better decisions, only 22 percent of directors believed this to be true. For further insight into our work in this area, please refer to our thought piece on the website.

Successfully managing executive compensation has proven to be a challenging problem to solve despite the best efforts of many stakeholders. In the case of easyJet, our votes against management were in a minority and in both 2021 and 2022, the resolutions passed with limited shareholder resistance. In our previous submission, we discussed the attempt to escalate our concerns through collective engagement, leveraging the support of Investor Forum. UK based shareholders of easyJet however suffer from disenfranchisement. For example, in 2022, easyJet suspended voting rights in respect of certain shares in accordance with their articles of association so that a majority of the voting rights were held by EU persons. In 2022 therefore we spoke directly to the CEO and frustrated with progress, in 2023 to the Chair of the Board.

Signed for on behalf of Oldfield Partners LLP for reporting period ending 31 December 2022.

Nigel Waller

Nigel Waller, Managing Partner of Oldfield Partners