

Sapia Partners LLP **14th March 2024**

Stewardship Code

Under Rule 2.2.3R of the FCA's Conduct of Business Sourcebook, Sapia Partners LLP ("Sapia") is required to disclose the nature of its commitment to the UK Financial Reporting Council's Stewardship Code (the "Code") or, where it does not commit to the Code, its alternative investment strategy. The Code is a voluntary code and sets out twelve "apply and explain" principles promoting high stewardship standards for asset owners and asset managers, such as Sapia. The Code does not focus on a singular approach to effective stewardship, instead allowing organisations to meet its expectations in a manner that is aligned with the organisation's own business model and strategy.

Sapia does not currently comply with the Code for the following reasons:

- Our business model entails portfolios managed by small investment management teams who work independently of each other;
- We also often manage portfolios for short periods. It is generally not practical to aspire to meaningful engagement with respect to stewardship over such short periods;
- The investment strategies we manage are diverse, such that it is not possible to have a single approach to the Code that covers all situations. In practice, we determine our approach to stewardship on a case-by-case basis.

Should any of the above factors change, we will review our commitment to the Code at that time, and make the appropriate disclosure, in due course.