

## **Directors' statement of compliance with duty to promote the success of the Group**

The board of directors of Oldfield & Co. (London) Limited consider that they have fulfilled their individual and collective duty under section 172(1) of the Companies Act 2006 to act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of shareholders as a whole and in doing so, have regard to a number of broader matters which are set out below.

Oldfield & Co. (London) Limited (OC) is a holding company whose main operating subsidiary is Oldfield Partners LLP (OP). OC's success is entirely dependent on the success of OP.

OP's long-term value style of investment requires patience by clients and staff alike. Staff incentivisation is required in order to ensure the long-term viability of OP. To achieve that arrangements are being put in place so that employees participate in the profits of OP. It is also planned that existing LLP members involved in management will increase their unit holdings over time. The directors believe that both these measures will align staff and partner incentivisation with the success of OP.

OC's directors receive regular reports from the Chief Executive on staff matters and staff turnover is regarded as a key performance indicator. Annual salary reviews are supplemented by regular benchmarking exercises. The non-executive directors' other business interests ensure that they have a very clear idea of best practice in the way that OP treats its staff.

OP engages with suppliers on terms appropriate to its size and pays supplier invoices promptly.

OP's clients are its key relationship and the principal key performance indicator for LLP members and OC's directors alike. Reports are made to both members and directors on prospective and actual clients, and business development. The reasons for significant customer redemptions are scrutinised by both bodies.

OP is authorised and regulated by the FCA and also by a number of overseas regulators. OP is conscious of its responsibility to regulators and that it is only authorised to deal with professional investors. OP's members as well as OC's directors receive regular reports from the Compliance Officer and also from OP's independent compliance consultant. The compliance consultant also has the right of direct access to OP's members and OC's directors if required.

OP's members and OC's directors are acutely conscious of the need to maintain the highest standard of business conduct and compliance policies were updated in accordance with the requirements of the FCA Senior Managers and Certification Regime. The Code of Ethics, including the personal account dealing policy, was also updated to remain in accordance with best practice.

Community engagement by staff is encouraged and a number of staff are actively engaged with projects within their own communities. The OP charity committee has a charitable giving programme which is overseen by a charity committee drawn from staff from all parts of the firm. The charitable giving supports a wide variety of projects mostly in the UK.

OP aims to minimise its own environmental impact and to become carbon neutral in the next few years. OP engages with the Environmental, Social and Governance (ESG) aspects of companies in which we invest. OP believes responsible ownership and ESG engagement are a necessary part of its fiduciary duty to its investors. OP is a Tier 1 respondent to the UK Stewardship Code, and a signatory to UN Principles for Responsible Investment (PRI) with an A rating.

OC's directors are responsible for ensuring the fair treatment of all shareholders in accordance with OC's articles of association and the various shareholders' agreements. One of the non-executive directors is responsible for liaison with the external A shareholders and also represents them at board meetings. The executive directors are B shareholders and similarly represent the interests of that share class.