

LACM GLOBAL, LTD.
UK Stewardship Code Statement¹

LACM Global, Ltd. (“LACM Global” or the “Firm”) is a FCA registered MiFID advisory firm and subsidiary of Los Angeles Capital Management LLC (“Los Angeles Capital”), a U.S. domiciled investment advisory firm registered with the U.S. Securities and Exchange Commission. The Firm plans to delegate investment management services to Los Angeles Capital which uses innovative quantitative processes for security selection and portfolio construction. This quantitative process dynamically prices factors based on forward looking expectations and does not involve subjective assessments or interaction with company management. Accordingly, while a number of the principles of the UK Stewardship Code do not apply to the Firm’s investment process for its institutional clients, we have a response to each principle:

UK Stewardship Code Principle No. 1 – Institutional investors should publicly disclose their policy on how they will discharge their stewardship responsibilities.

The Firm plans to supervise the delegation of advisory services to its parent company, Los Angeles Capital. Details about Los Angeles Capital’s Responsible Investing Policy Statement are set forth on its website under the caption “Responsible Investing” and can be found by following this [link](#). Additional details about how the Firm will discharge its stewardship responsibilities in the context of overseeing the delegation of activities to Los Angeles Capital are set forth below.

UK Stewardship Code Principle No.2 – Institutional Investors should have a robust policy on managing conflicts of interest in relation to stewardship which should be publicly disclosed.

The Firm maintains a comprehensive conflicts of interest policy as part of its Compliance Manual and Code of Ethics which are designed (collectively, “Policies”) to ensure that the Firm and its officers and employees act in the best interests of clients and put client interests ahead of personal interests. These Policies identify situations that may give rise to a potential or actual conflict of interest and call for identification, recording, mitigating and testing to ensure that clients’ interests are protected and placed ahead of the Firm and the Firm’s and its employees and affiliates.

UK Stewardship Code Principle No. 3 – Institutional investors should monitor their investee companies.

The Firm utilizes a bottom-up quantitative investment approach that does not involve subjective assessments or interaction with issuers and their management. Specifically, the Dynamic Alpha technology is used to estimate how investors price risk. Once estimated, the risk premiums are combined with the stock’s exposure to each premium to calculate an expected return for a stock. This quantitative approach is applied throughout the security selection, portfolio construction and trading steps of the process so that portfolios are adjusted to changes in market conditions. The Firm does not invest in any company with a view to control or actively intervene in management.

UK Stewardship Code Principle No. 4 – Institutional Investors should establish clear guidelines on when and how they will escalate their stewardship activities.

Where authority to vote proxies is delegated to the Firm, the Firm expects to participate by voting at annual and special meeting with operational aspects outsourced to a leading proxy voting service provider and votes processed according to specified voting guidelines. The Firm does not invest in any company with a view to control or actively intervene in management.

¹ This statement addresses the principles in the 2012 Stewardship Code.

UK Stewardship Code Principle No. 5 – Institutional Investors should be willing to act collectively with other investors where appropriate.

In normal circumstances, the Firm expects to make voting decisions according to guidelines agreed to by clients and as advised by its external proxy voting provider.

UK Stewardship Code Principle No. 6 – Institutional investors should have a clear policy on voting and disclosure of voting activity.

The Firm is not currently managing accounts where proxy voting is delegated to it. In the event that it should be delegated to vote proxies for an account, the Firm would work with the client to establish voting guidelines. The Firm also plans to coordinate with Glass Lewis to assist with providing template guidelines and to perform the administration of voting. Although the Firm plans to generally rely on the advice of a leading proxy service provider, the Firm will retain the right to exercise its discretion in voting proxies and may vote proxies in a manner other than as recommended by its proxy service provider.

UK Stewardship Code Principle No. 7 – Institutional Investors should report periodically on their stewardship and voting activities.

The Firm plans to review the proxy services and reports provided by Glass Lewis and to make voting records available to clients on request.

Questions regarding the Firm's Stewardship Code should be addressed to Inquiries@lacapm.com.