

UK Stewardship Code – November 2015

This statement is issued by Argo Capital Management Limited (“ACM”), a company incorporated under the laws of England, which is authorised and regulated by the Financial Conduct Authority (“FCA”) in the United Kingdom.

Detailed below is an overview on how, and the extent to which, ACM complies with the principles of the UK Stewardship Code. Please note that the funds advised by ACM focus primarily on investing in emerging markets rather than UK or European listed securities.

Principle 1 – Institutional investors should publicly disclose their policy on how they will discharge their stewardship responsibilities

As an investment manager/advisor we have a duty to act in the best interests of our clients and seek to protect and enhance the economic value of companies in which we advise investment on our client’s behalf.

Key elements in our stewardship process are set out in this statement including the activities we undertake to meet the UK Stewardship Principles.

Principle 2 - Institutional investors should have a robust policy on managing conflicts of interest in relation to stewardship and this policy should be publicly disclosed

ACM is a subsidiary of Argo Group Limited which forms an asset management group responsible for managing/advising the investments of a large number of clients. Potential conflicts of interest can arise in a number of areas. We have a conflicts of interest policy statement which is available upon request.

The policy statement provides information on the circumstances which may give rise to actual or potential conflict of interests in the business of ACM that may entail a material risk of damage to the interest of one or more of ACM’s clients.

In the event that the reasonable steps ACM has made to manage conflicts of interest are not sufficient and may potentially damage the interests of a client, ACM will consider whether disclosure is appropriate or whether, bearing in mind the risks involved, ACM should refrain from acting for the client concerned.

Principle 3 – Institutional investors should monitor their investee companies

ACM actively engages with the management of a number of the issuers and companies in which we manage/advise investment on behalf of our clients. In appropriate cases (bearing in mind the size and nature of the interest held by ACM's clients) ACM also encourages good corporate governance and disclosure policies.

Our UK public equities business is a very small part of our overall business and our shareholdings are unlikely to ever be large enough to have an influence over the policies of management in these companies.

Our special situations business invariably involves our clients taking significant controlling stakes in investee companies and in such circumstances we are in a position to positively engage with the management of these companies.

Principle 4 – Institutional investors should establish clear guidelines on when and how they will escalate their activities as a method of protecting and enhancing shareholder value

As described above, our UK public equities business constitutes only a small part of overall assets under management. However, in appropriate circumstances, we will actively engage with corporate management in conversations on corporate governance or other issues in our clients' best interests and in certain situations, we might elevate these discussions to shareholder boards or their respective members, and potentially through proxy voting.

Principle 5 – Institutional investors should be willing to act collectively with other investors where appropriate

When it is in the best interest of our clients, we may be prepared to act collectively with other investors when we believe it is likely to enhance our ability to engage with a company, and is permitted by law and regulation.

Principle 6 – Institutional investors should have a clear policy on voting and disclosure of voting activity

Subject to specific mandate restrictions, ACM or its affiliates are generally responsible for voting proxies and taking decisions in connection with proxy voting with respect to equities, bonds, loans or other debt instruments held by or held on behalf of the clients for which it serves as investment manager/adviser.

Where ACM is given responsibility for proxy voting, it will take reasonable steps under the circumstances to ensure that proxies are voted in the best interests of its clients. Protecting the financial interests of its clients is the primary consideration for ACM in determining how to protect such interests. This generally means proxy voting with a view to enhancing the value of the securities held by or on behalf of ACM's clients, through maximising the value of securities, taken either individually or as a whole.

Except to the extent required by applicable law or otherwise approved by ACM, ACM will not disclose to third parties how it has voted a proxy on behalf of a client. However, upon request from an appropriately authorised individual, ACM will disclose to its clients or the entity delegating the voting authority to ACM for such clients (e.g., trustees or consultants retained by the client), how ACM voted such client's proxy.

Principle 7 – Institutional investors should report periodically on their stewardship and voting activities

ACM will provide further updates to this information in the event that significant developments in our approach occur.

Argo Capital Management, November 2015