

UK Stewardship Code Disclosure Statement

The UK Stewardship Code (“the Code”) was first published in July 2010 by the Financial Reporting Council (“FRC”), the UK’s independent regulator responsible for promoting high quality corporate governance and reporting to encourage investment. The Code aims to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and the efficient exercise of governance responsibilities.

The Code consists of principles and guidance, the principles determine how to operate according to the Code and the guidance recommends how the principles might be applied. The FRC recognises that not all parts of the Code will be relevant to all institutional investors and that smaller institutions may judge some of the principles and guidance to be disproportionate. It is of course legitimate for some asset managers not to engage with companies, depending on their investment strategy, and in such cases firms are required to explain why it is not appropriate to comply with a particular principle.

The seven principles of the Code are that institutional investors should:

- Publicly disclose their policy on how they will discharge their stewardship responsibilities;
- Have a robust policy on managing conflicts of interest in relation to stewardship which should be publicly disclosed;
- Monitor their investee companies;
- Establish clear guidelines on when and how they will escalate their stewardship activities;
- Be willing to act collectively with other investors where appropriate;
- Have a clear policy on voting and disclosure of voting activity; and
- Report periodically on their stewardship and voting activities.

Mitsubishi UFJ Asset Management (UK) Ltd does not currently comply with the Code as our investment strategies:

- Involve only fixed-income securities and derivatives (mainly for foreign exchange hedging);
- Invests in Japanese equities and real estate investment trusts listed on Japanese domiciled exchanges, using Group companies who are signed up to the Japanese Stewardship Code; and
- As such we do not currently invest in shares of listed companies in the UK.

Therefore, although the firm supports the objectives set out within the Code, the provisions are not deemed to be relevant to the type of investment strategies and trading currently undertaken by the firm. Should any material changes occur to our strategies which would make the Code relevant, we will review our commitment to the Code at that time and make appropriate disclosure.

For further information please contact:

David Bourne
Mitsubishi UFJ Asset Management (UK) Ltd.
24 Lombard Street
London EC3V 9AJ

Tel: +44 (0) 20 7648 5111
Email: David.Bourne@uk.am.mufg.jp