



The UK Stewardship Code: Disclosure Statement

Following a joint consultation with the Financial Reporting Council (**FRC**), the Financial Conduct Authority (**FCA**) published, in October 2019, a feedback statement in relation to ‘Building a regulatory framework for effective stewardship’. On the same day, the FRC published the UK Stewardship Code 2020. The FCA rules require firms that manage investments for professional clients to publish the nature of their commitment to the Stewardship Code.

The FRC defines stewardship as ‘the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.’

The UK Stewardship Code (the **Code**) seeks to encourage effective stewardship through a set of 12 Principles for asset owners and asset managers on which signatories must report annually. The Code sets out the 12 Principles under four main headings:

- Purpose and Governance
- Investment Approach
- Engagement
- Exercising Rights and Responsibilities

Brown Advisory is fully supportive of the aims of the Code and, through our approach to Sustainable Investing, as articulated in the policies and publications on our website (www.brownadvisory.com), consider that the outcomes we seek for our clients and stakeholders are closely aligned with those sought under the Code. Consequently, in due course, Brown Advisory Limited will apply to become a signatory. In the meantime, there is a degree of commonality between some of the Code’s Principles and the requirements of the Shareholder Rights Directive, which seeks to promote effective stewardship through enhanced transparency around engagement and proxy voting.

Please refer to our **Shareholder Rights Engagement Policy** for further information on Brown Advisory’s approach to engagement and proxy voting.

This disclosure statement will be reviewed at least annually.