

Statement of Compliance

Findlay Park Partners LLP (“Findlay Park”) is a UK Investment Management Company that invests primarily in US equities on behalf of investors in the Findlay Park American Fund.

Findlay Park aim to control the downside risk in each investment that we make in order to produce a compelling risk-adjusted compound rate of return over time. We believe that we can generate higher compound returns for clients by taking less risk.

The Findlay Park investment philosophy helps us identify businesses that should generate sustainable returns while advancing the interests of their customers, employees and shareholders.

We aim to invest in businesses that generate strong free cash flows with management teams that are effective allocators of capital. We back companies that deliver value for their customers through great products and services. We look to support corporate cultures that create an environment for employees to flourish and grow.

We are committed to being active stewards of our clients’ assets. We challenge companies – through engagement with management and the exercise of our voting rights – where we see scope for improvement that will deliver long-term value to shareholders.

The UK Stewardship Code (the “Code”) was published by the Financial Reporting Council (“FRC”) and aims to enhance the quality of engagement between investors and companies to help improve long-term risk-adjusted returns.

This document describes how Findlay Park integrates each of the seven principles of the Code in our business practices. This should be read in conjunction with our Responsible Investment Policy, available on our website www.findlaypark.com; and our Voting and Engagement Report, which is available to clients on request.

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

Our investment philosophy has guided our research intensive process since the American Fund’s launch in 1998 and manifests itself in a comprehensive list of questions that we ask ourselves about every company that we invest in. Each stock is marked against the twenty-nine point investment philosophy; debate and challenge will be focused on those points where the company falls short of our expectations.

Any material factors identified – including environmental, social and governance issues – will be specifically addressed with company management by our portfolio managers and equity analysts.

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”

We have a conflicts of interest policy that can be found on our website.

All reasonable steps are taken to prevent conflicts of interest. Should a potential conflict of interest arise, we require that the staff involved notify the Compliance team and they will take appropriate steps to ensure fair treatment.

Our business activity presents limited scope for conflicts of interest: we are engaged solely in investment management of one fund. We do not manage separate accounts and we do not deal on our own account. Our Personal Account Dealing Policy prohibits partners, employees and other connected persons from investing in direct listed equities.

In the unlikely event that a conflict of interest arises with regards to a voting decision, our policy is to vote in accordance with the recommendation from our independent voting service provider Institutional Shareholder Services (“ISS”).

Principle 3: “Institutional investors should monitor their investee companies”

We aim to control the downside risk in each investment we make in order to generate an attractive risk adjusted compound rate of return, measured over decades.

Research and monitoring of each company that we invest in is carried out by two or more of our team of portfolio managers and analysts. New ideas are pitched to the rest of the investment team and scored against our investment philosophy criteria. A decision to invest in a company will only be made after appropriate direct engagement with management and rigorous in-depth analysis.

Our investment monitoring process aims to identify problems at an early stage and any concerns we have will be raised with the relevant company’s board or management if we believe it to be appropriate to do so.

We take reasonable steps to prevent partners and employees from being exposed to material non-public information. All staff must report to the Compliance Officer if they have been made aware of any inside information in accordance with the Firm’s Market Conduct Policy.

Principle 4: “Institutional investors should establish clear guidelines on when and how they will escalate their stewardship activities”

We will escalate our engagement with companies and speak to management to discuss any concerns that we have. We do not seek to influence the day-to-day management of the companies we invest in, but will meet with them on a regular basis and engage through dialogue on issues that may include management compensation, appropriate capital structure and dividend policy.

As an active investor we may determine that the best course of action for the investors in our Fund is to sell a stock if we have material concerns.

Principle 5: “Institutional investors should be willing to act collectively with other investors where appropriate”

We do not feel it is compatible with our long-term outlook and the investment philosophy to engage in hostile or public disputes with company boards, and in the past we have only rarely found reason to act collectively with other investors. Nevertheless we will not hesitate to do so where we judge it to be in the best of interests of the investors in the Fund, in such a manner as we determine would be most appropriate to serving those interests.

Principle 6: “Institutional investors should have a clear policy on voting and disclosure of voting activity”

Our Corporate Voting policy is available to view on our website and a Voting and Engagement report is available to investors in the Fund upon request.

We aim to vote on every resolution. Portfolio managers co-covering a stock are responsible for the voting decision. We aim to exercise all voting rights, taking into account the specific circumstances of each company we invest in and demonstrating compliance with best practice. We do not participate in any stock lending arrangements.

The Fund does not engage in stock lending.

Principle 7: “Institutional investors should report periodically on their stewardship and voting activities”

We will review this Stewardship Code statement on an annual basis and update it as necessary to ensure that it reflects best practice and any changes to Financial Reporting Council guidance.

We maintain a record of all votes cast, recording detailed rationale for all votes against management. We report on our Voting and Engagement activities on a semi-annual basis. This report is available to investors in the Fund upon request.

For further information regarding our approach to stewardship please contact the Investor Relations team at info@findlaypark.com

Approved by the Board of Findlay Park Partners LLP

February 2019

Important Information

This document has been prepared by Findlay Park Partners LLP (“**FPP**”) and relates to the Findlay Park American Fund, a sub-fund of Findlay Park Funds Plc (“**Fund**”) which is an open-ended investment company authorized by the Central Bank of Ireland. The information provided herein is not directed at or intended for distribution to any person or entity who is a citizen, resident or located in any jurisdiction where the distribution of these materials and/or the purchase or sale of shares in the Fund would be contrary to applicable law or regulation or would subject the Fund to any regulation or licencing requirements in such jurisdiction.

Risk Warnings: This material is not intended for distribution to retail investors. **The value of investments and income from them may go down as well as up, and you may not get back the original amount invested.** Where an investor’s own currency is different to the currency of the Fund’s investments, returns may be affected by fluctuations in currency exchange rates. **Past performance is not a reliable indicator of future results.** FPP accepts no liability for any loss or damage arising out of the use or misuse of or reliance on the information provided including, without limitation, any loss of profits or any other damage, whether direct or consequential.

Nothing contained in this document constitutes investment, accounting, tax or legal advice or an offer to sell, or a solicitation of any offer to buy, any interests or shares in any investment. Any subscription in the Fund will be subject to the terms, including a list of risk factors and conflicts of interest, set out in the Fund’s Prospectus, Key Investor Information Document and Supplementary Information Document. Copies of these documents are available at www.findlaypark.com or upon request.

For investors in (or via) Switzerland: Shares of the Fund and related documents may only be distributed in or from Switzerland to qualified investors within the meaning of Art. 10 Para. 3, 3bis and 3ter CISA. In Switzerland, the Representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zürich, whilst the Paying agent is Helvetische Bank AG, Seefeldstrasse 215, CH-8008 Zurich. In respect of the shares distributed in or from Switzerland, the place of performance and jurisdiction shall be at the registered office of the Representative in Switzerland. The basic documents of the Fund as well as the annual and semi-annual reports may be obtained in Switzerland free of charge at the office of the Representative.

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