



Kirkoswald Capital Partners LLP Stewardship Code Disclosure May 2020

Introduction

Under the Financial Conduct Authority's ('FCA') Conduct of Business Rules, Kirkoswald Capital Partners LLP ('Kirkoswald' or the 'Firm') is required to make a public disclosure on its website in relation to the nature of its commitment to the Financial Reporting Council's ('FRC') Stewardship Code (the 'Code').

The Code was first published by the FRC in July 2010 and it was updated in September 2012. Subsequently, the FRC published the new UK Stewardship Code 2020 ('2020 Code'), which took effect from 1 January 2020, and consists of 12 Principles for asset managers and asset owners, and six Principles for service providers.

The Code aims at enhancing the quality of engagement between institutional investors and companies, to help improve long-term returns to shareholders and provide for the efficient exercise of governance responsibilities by setting out good practice on engagement with investee companies that institutional investors should aspire to. 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 2020 Code's Principles are:

1. Signatories' purpose, investment beliefs, strategy, and culture enable stewardship that creates long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.
2. Signatories' governance, resources and incentives support stewardship.
3. Signatories manage conflicts of interest to put the best interests of clients and beneficiaries first.
4. Signatories identify and respond to market-wide and systemic risks to promote a well-functioning financial system.
5. Signatories review their policies, assure their processes and assess the effectiveness of their activities.
6. Signatories take account of client and beneficiary needs and communicate the activities and outcomes of their stewardship and investment to them.
7. Signatories systematically integrate stewardship and investment, including material environmental, social and governance issues and climate change to fulfil their responsibilities.
8. Signatories monitor and hold to account managers and/or service providers.
9. Signatories engage with issuers to maintain or enhance the value of assets.
10. Signatories, where necessary, participate in collaborative engagement to influence issuers.
11. Signatories, where necessary, escalate stewardship activities to influence issuers.
12. Signatories actively exercise their rights and responsibilities.

Kirkoswald's position in respect of the 2020 Code

Kirkoswald's global macro investment strategy is such that whilst the Firm may invest in shares traded on a regulated market (or comparable market), the resultant holdings are sufficiently immaterial in terms of size and voting power for the Firm to actively engage with investee companies. In addition, the investment strategy trades equity positions mainly via swaps, which do not confer voting rights.

Whilst supporting the objectives underlying the Code and adhering to the highest standards of corporate governance and due diligence in respect of its investments Kirkoswald, having considered the 2020 Code in terms of the types of assets it invests in and its investment approach, believes that the Principles are not applicable to its investment activities at this time. Should that change in the future, the Firm will review its commitment to the Code and update this disclosure accordingly. This disclosure will be reviewed annually. The Code applies on a 'comply or explain' basis and is voluntary.

Contact Details

For any questions regarding this disclosure please email info@kirkoswald.com.