

Stewardship Policy

Kapwealth Ltd (the “Firm”) is committed to the Stewardship Code in relation to the seven main principles of this Code. The UK Stewardship Code sets out the principles of effective stewardship by investors. In so doing, the Code assists institutional investors better to exercise their stewardship responsibilities, which in turn gives force to the “comply or explain” system. This means that where a firm chooses not to comply with a particular principle in the Code, it is still compliant with the overall Code where this is properly disclosed and explained. This statement sets out the approach of the Firm towards the governance of companies in which our firm invests in on behalf of such clients.

Our adherence to the Principles of the Code

Principle 1

The Code is addressed in the first instance to firms who manage assets on behalf of professional clients such as pension funds, insurance companies, investment trusts and other collective investment vehicles. We primarily manage the investments of Retail Clients but, as required by the rules of the Financial Conduct Authority, this policy statement focuses on our professional investor clients where we are able to exercise voting rights on investments held on such institutional clients’ behalf. Where appropriate for such clients, we may vote on any issue affecting the long-term value of a company in which we have invested on our clients’ behalf.

The Firm works with its professional clients and jointly agree on investment strategies. Kapwealth allows its professional client continuous communication and provides sufficient information to them to enable their monitoring of the implementation of strategies and to allow for changes thereto, but any input or interference with the discharge of our management responsibilities of your portfolio may negatively impact the performance of your portfolio for which we will not be responsible. Professional clients may only provide input into their own portfolios and not regarding any other clients of Kapwealth.

Principle 2

We are committed to the identification and fair management of any conflict of interest which may arise in the normal course of business. In accordance with the Financial Conduct Authority (FCA) handbook and specifically Principle 8 and section SYSC 10, we aim to manage conflicts of interest fairly, both between Kapwealth and our customers, and between any customer and another client. Conflicts of interest are disclosed to all client at the engagement phase and otherwise as soon as possible after a new conflict of interest may arise. The Firm is committed to managing conflicts of interest in terms of its internal compliance manual and compliance monitoring procedures.

Our Measures:

- Information Barriers

- Separate Supervision
- Remuneration monitoring
- Disclosure
- Removal from Duty

Principle 3

Monitoring companies in which we invest on behalf of clients is a core part of our research process. This is primarily the responsibility of our Investment Management team which meets on a regular basis. We do not normally attend general meetings of the companies in which we invest although we may attend those meetings of companies where we have a major shareholding or where there may be a contentious issue that may affect the value of our shareholding.

Principle 4

We have not adopted any prescriptive guidelines for when and how we will escalate our activities and will depend on the materiality of the issue and our assessment of whether such engagement is in the best interests of our client. Given the relative size of our holdings, our ability to influence company management may be limited.

Principle 5

We invest in securities and strategies based on our research and market trend, as well as agreed with our clients and act as far as we can in the interest of our clients. However, we would be willing to be approached by other investors and will consider collective engagement where we feel it is more likely to influence the outcome and protect our clients' interests.

Principle 6

Our approach is not to vote at meetings of companies in which we invest as given the relative size of our holdings our ability to influence company management may be limited. However, where we feel strongly on an issue or where we disagree with management on a particular matter we will vote accordingly. In this instance we may not inform the company in advance of that intention or the reasons why

Principle 7

As we have a general approach not to vote in meetings, the Firm holds that it is inappropriate to disclose activity as a matter of course. We do not consider that making these records public would serve our clients' interests.