

Stewardship Code Disclosure Statement

April 2020

Tabula Investment Management Limited

(“Tabula” or the “Firm”)

Under COBS 2.2.3R of the FCA Handbook, Tabula is required to make a public disclosure in relation to the nature of its commitment to the Financial Reporting Council’s (“FRC”) Stewardship Code (the “Code”) or, where it does not commit to the Code, explain its considered choice based on the Firm’s investment approach.

The Code aims to enhance the quality of engagement between asset managers and companies to help improve long-term risk-adjusted returns to shareholders and promote the efficient exercise of governance responsibilities. It also describes steps asset owners can take to protect and enhance the value that accrues to the ultimate beneficiary and sets out a number of areas of good practice on engagement with investee companies to which the FRC believes asset managers and asset owners should aspire. The Code is directed in the first instance to asset owners and asset managers with equity holdings in UK listed companies and service providers that support them. Adherence to the Code is voluntary.

The Principles of the Code

The twelve principles for asset owners and asset managers are as follows:

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.

The FRC encourages signatories to the Code to review their policy statements annually and update them as necessary to reflect changes in actual practice.

UK Financial Reporting Council's Stewardship Code

Tabula is primarily a promoter and marketer of a number of passive fixed income ETFs that have been created to provide precise exposures. Specifically, some of the characteristics of the strategies include:

- Investment in the following financial instruments: corporate bonds, government bonds, CDS and TRS; and
- The ETFs do not invest in equity holdings in listed companies.

While Tabula generally supports the objectives that underline the Code, the nature of its investment strategy involve investing in equity holdings in listed companies and therefore does not engage with investee companies through voting rights. As such, the Firm has chosen not to commit to the Code at this time.

If Tabula's investment strategy changes in such a manner that the provisions of the Code become relevant, the Firm will amend this disclosure accordingly.