



Brunswick Investment Management Ltd UK Stewardship Code Disclosure

Brunswick Investment Management Ltd (BIM) is not currently a signatory of the Financial Reporting Council's 'UK Stewardship Code 2020', however we wish to disclose our investment strategy to demonstrate our commitment to the underlying principles of that code.

The 2020 Code defines Stewardship as follows:

‘Stewardship is 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 comprises twelve principles for Asset Owners and Asset Managers plus six principles for Service Providers:

Principles for Asset Owners and Asset Managers	Principles for Service Providers
PURPOSE AND GOVERNANCE	1. Purpose, strategy and culture
1. Purpose, strategy and culture	2. Governance, resources and incentives
2. Governance, resources and incentives	3. Conflicts of interest
3. Conflicts of interest	4. Promoting well-functioning markets
4. Promoting well-functioning markets	5. Supporting client's Stewardship
5. Review and assurance	6. Review and assurance
INVESTMENT APPROACH	
6. Client and beneficiary needs	
7. Stewardship, investment and ESG integration	
8. Monitoring managers and service providers	
ENGAGEMENT	
9. Engagement	
10. Collaboration	
11. Escalation	
EXERCISING RIGHTS AND RESPONSIBILITIES	
12. Exercising rights and responsibilities	

BIM are classed as Asset Managers for two of the services it provides to professional clients:

1. BIM manages two collective investment schemes (OEICs).
2. BIM offers an individual client portfolio management service run on a Discretionary basis for third party advisers based on blends of the two OEICs referred to in 1.

The investments in the two OEICs BIM manage currently consist of other collectives, such as OEICs, Unit Trusts, Investment Companies and ETFs or directly held government bonds. Investments bought on a Discretionary basis for third party advisers comprise entirely of the BIM OEICs, which are collective investment schemes.

The Code contains more detailed expectations for listed equity assets. BIM does not consider that its asset management services fall within this category.

Some of the principles are more relevant for Asset Managers while others are more relevant for Asset Owners and BIM has taken this into account within this disclosure.

BIM does not consider that it is classed as a Service Provider, therefore no details regarding strategies under the Principles for Service Providers is included in this disclosure.

BIM publishes this disclosure on its website.

BIM's strategies within the twelve principles of the Code for Asset Managers

Principle 1 – Purpose and Governance - Purpose, strategy and culture

(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)

All investments in the OEICs are considered on the grounds of their risk and return potential.

Stewardship is fully integrated within the investment process. BIM are long-term investors in the holdings in its OEICs and consider Stewardship of these holdings a key aspect of risk management.

Principle 2 – Purpose and Governance – Governance, resources and incentives

(Signatories governance, resources and incentives support Stewardship)

Corporate governance issues are a key aspect of underlying holding analysis, as BIM are convinced that poor corporate governance can have a material impact on risk and performance.

In view of the size of BIM's Assets Under Management, and the fact that investment in companies is made indirectly via collective investment schemes, BIM is unlikely to be in a position to influence the management of underlying companies.

If BIM disagree with the actions of management of investee companies BIM will consider selling the holding.

Principle 3 – Purpose and Governance – Conflicts of interest

(Signatories manage conflicts of interest to put the best interests of clients and beneficiaries first)

As BIM manage a small number of funds with different objectives there is very limited potential for conflicts of interest arising from decisions taken.

The two Asset Management services BIM provide to professional clients are managed by different individuals within BIM.

A documented and defined Conflict of Interest Policy is in place within BIM to identify, prevent/manage, report, record and disclose any conflicts of interest arising. This Policy is available on request.

Principle 4 – Purpose and Governance – Promoting well-functioning markets

(Signatories identify and respond to market-wide and systemic risks to promote a well-functioning financial system)

In view of the size of BIM's Assets Under Management it is unlikely any actions taken by BIM will affect the market.

BIM mainly invests into collectives and bases investment decisions on overall Asset Allocation views made indirectly as to whether certain assets are attractive or unattractive.

Principle 5 – Purpose and Governance – Review and assurance

(Signatories review their policies, assure their processes and assess the effectiveness of their activities)

BIM acknowledges that its exposure to UK listed companies could change and therefore BIM will monitor that exposure at least on an annual basis or where there is a material change which requires specific consideration.

BIM reviews its UK Stewardship Code Disclosure on an annual basis as part of its Compliance Monitoring Programme.

Principle 6 – Investment Approach – Client and beneficiary needs

(Signatories take account of client and beneficiary needs and communicate the activities and outcomes of their Stewardship and investment to them)

BIM provides its professional clients with information on its strategies when requested, including, as and when this takes place, a summary of how BIM has voted in respect of relevant underlying holdings.

BIM does not consider the remaining expectations of this Principal are relevant for the services it provides to professional clients.

Principle 7 – Investment Approach – Stewardship, investment and ESG integration

(Signatories systematically integrate Stewardship and investment, including material environmental, social and governance issues, and climate change, to fulfil their responsibilities)

BIM does not use any specific ESG criteria to invest within, however BIM does monitor underlying holdings ESG policies.

BIM's view is that companies and industries not working responsibly/sustainably are highly likely to be subject to rising costs through higher ESG regulations and suffer from bad publicity resulting in lower profits, making them unlikely to be attractive investments. ESG is becoming a defining factor in companies' long-term prospects. BIM is likely to reduce exposure in such circumstances.

Principle 8 – Investment Approach – Monitoring, managers and service providers

(Signatories monitor and hold to account managers and/or service providers)

BIM monitors its underlying holdings to determine when dialogue with the fund managers may be necessary. BIM's monitoring process may include the following:

- Satisfying ourselves as to the governance performance of our portfolio holdings.
- Where appropriate, meeting fund managers or representatives of the fund.
- Retaining thorough records of such meetings

BIM's investment monitoring process aims to identify problems at an early stage and concerns will be raised with the relevant holding's management, in writing where appropriate.

Principle 9 – Engagement – Engagement

(Signatories engage with issuers to maintain or enhance the value of assets)

In view of the size of BIM's assets under management and investment mainly in collectives BIM does not have direct shareholdings and so does not have direct engagement with specific companies or their management or direct influence.

BIM will only engage with fund managers or representatives of the fund as outlined in Principle 8.

Principle 10 – Engagement – Collaboration

(Signatories, where necessary, participate in collaborative engagement to influence issuers)

There may be situations where it is appropriate to act collectively with other shareholders in order to engage with an investee company. BIM would be prepared to take such action if required after approval by the investment committee and the Compliance Officer.

Principle 11 – Engagement – Escalation

(Signatories, where necessary, escalate Stewardship activities to influence issuers)

If BIM become concerned about any aspect of an investee company's investment strategy, governance or any other matter, BIM's normal course of action would be to investigate the matter, discuss it with the investment committee and potentially disinvest from the company.

Principle 12 – Exercising Rights and Responsibilities – Exercising Rights and Responsibilities

(Signatories actively exercise their rights and responsibilities)

Where relevant BIM will endeavour to use its influence to vote. However, in practice BIM do not invest in UK listed companies directly so are not in a position to materially influence companies. As stated above, virtually all the investments held consist of collectives as opposed to direct equity-based securities.

BIM retains records of any votes cast on behalf of BIM's clients and the reasons for voting or for abstaining.