

# Gradient Capital

## Gradient Capital Partners LLP's Stewardship Code Disclosure Statement

Jan 2013

Under COBS 2.2 of the FSA Handbook, all FSA authorised firms are required to make a public disclosure in relation to the nature of their commitment to the above Code ("the Code") which was published by the Financial Reporting Council ("FRC") in July 2010.

The Code aims to enhance the quality of engagement between institutional investors and the companies they invest in with the intention of improving long term returns for shareholders and the efficient exercise of governance responsibilities. The FRC recognises that not all parts of the Code will be relevant to all institutional investors and that smaller institutions may judge some of the principles and guidance to be disproportionate. Firms may either comply with the Code or choose not to comply with certain aspects of the Code, in such case an explanation of non compliance is required. If the firm does not commit to the Code, it must state in general terms its alternative investment strategy.

**Gradient Capital Partners LLP** ("the Firm") provides investment management services to a number of European long-short equity funds. The firm is involved in investing, on behalf of these funds, in equities issued in, but not limited to Europe. The Code is therefore applicable to the firms trading (UK equities) and represents a reasonable proportion of the firm's business.

Although the firm supports the Code in principle, the firm has taken the decision not to commit to the principles of the code. The Firm invests and engagements with investors are accessed on a case by case basis. The firm takes a proportionate approach to engaging with the issuers and their management in Europe and all the jurisdictions the firm invests in. It is therefore not deemed appropriate to comply with any voluntary codes of practice in any individual specific jurisdictions.