

New Street Research LLP

Form ADV Part 2 – Disclosure Brochure

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This brochure provides information about the qualifications and business practices of New Street Research LLP (“New Street”, “NSR”, “the Firm”). If you have any questions about the contents of this brochure, please contact Maria Van Tonder by email on maria@newstreetresearch.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about New Street also is available on the SEC’s website at www.adviserinfo.sec.gov and New Street’s website at www.newstreetresearch.com.

New Street is an investment advisor registered with the Securities and Exchange Commission. Registration of an investment advisor does not imply any level of skill or training.

Item 2: Material Changes

Consistent with applicable rules, we will ensure that you receive a summary of any material changes to this and any subsequent Firm Brochures within 120 days of the close of our fiscal year. We will also provide you with other interim disclosures about material changes as necessary.

Item 3: Table of Contents

<i>Item Number</i>	<i>Page</i>
1. Cover	1
2. Material Changes	1
3. Table of Contents	1
4. Advisory Business	2
5. Fees and Compensation	3
6. Performance Based Fees and Side-By-Side Management	3
7. Types of Clients	3
8. Methods of Analysis, Investment Strategies and Risk of Loss	3
9. Disciplinary Information	3
10. Other Financial Industry Activities and Affiliations	4
11. Code of Ethics; Participation or Interest in Client Transactions and Personal Trading	5
12. Review of Accounts	6
13. Client Referrals and Other Compensation	7
14. Custody	7
15. Investment Discretion	7
16. Voting Client Securities	7
17. Financial Information	7

Item 4: Advisory Business.

New Street was founded in 2002 by Iain Johnston, who remains the firm's senior partner and chief executive. Group headquarters are in London.

New Street registered as an investment adviser with the Financial Conduct Authority ("FCA") in the United Kingdom in 2002 and the Securities and Exchange Commission ("SEC") in 2015. New Street is authorised and regulated by the FCA (FRN no. 225092). New Street Research LLC (NSR LLC) in our New York City based business and not a regulated entity.

The firm provides independent investment research to support the investment decisions of fund managers and other institutional investors classified as Professional Clients under the rules of the FCA. Provided by our team of experienced analysts, our work is idea driven, based on independence of thought, sector expertise, and firmly focussed on fundamentals and valuation. New Street Research is an independent, partner-owned, research firm specialising in equity research. Our equity research currently embraces the following sectors:

- Pan European Telecom Services and Cable
- US Telecoms, Cable and Satellite
- Global Emerging Market Telecoms
- Asian Telecoms, Cable and Internet
- Technology Infrastructure
- Chinese internet
- Pan European Healthcare

Services provided to clients are as follows:

- (i) NSR thematic and market research in relation to relevant securities (being shares, bonds and other debt instruments (including government and public issues) or warrants and any other companies which we may from time to time analyse);
- (ii) NSR company reports including equity and high yield securities as appropriate;
- (iii) NSR company and industry models;
- (iv) bespoke research services as requested by clients;
- (v) access to NSR analysts and sales either in private meetings or in telephone communications;
- (vi) where requested, password protected access to our website;
- (vii) such other Services as may be agreed between NSR and its clients from time to time.

From time to time New Street may also issue research that has been sponsored by a specific company. Such sponsored research will be clearly identified as such and will be subject to the same high standards of independence and accuracy as our other publications.

The firm does not provide financial planning services, nor does it manage assets, either on a discretionary or non-discretionary basis.

Item 5. Fees and Compensation.

New Street may be compensated by hard dollar or soft dollar commissions (CSA's) by its institutional clients for its comment and research. These commission amounts are negotiated on an individual basis and paid to New Street based on factors specific to an institution.

Item 6. Performance-Based Fees and Side-by-Side Management.

The firm currently has no performance-based fee arrangements.

Item 7. Types of Clients.

New Street provides research and investment advisory services to institutional clients only. We can only accept clients that are registered investment firms or can otherwise be classified as a Professional Client under the rules of the FCA.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss.

The firm bases its investment recommendations on discounted cash flow and multiple analyses which take a forward-looking 12 month investment horizon. We take a fundamental approach to valuations and do not make recommendations on equity or debt derivatives.

Investing in securities carries risk of loss of some or all of the money invested.

Item 9. Disciplinary Information.

As a registered investment adviser, we are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of New Street or the integrity of New Street's management.

New Street has no such events to report.

Item 10. Other Financial Industry Activities and Affiliations.

New Street Research LLP is not registered as a broker dealer. We are not permitted to hold client money, we are not proprietary traders, we do not underwrite securities and we do not manage assets.

NSR LLC is excluded from the definition of 'investment adviser' in reliance on the publisher's exclusion as set forth under Section 202(a)(11)D of the Investment Advisers Act of 1940 and corresponding state securities statutes. Furthermore, New Street does not receive compensation that is derived from securities transactions and, therefore, does not engage in activities which would be subject to broker-dealer registration with the SEC.

However, the firm is resolute in its desire to operate in a manner that demonstrates the highest standards of commercial honour and compliance therefore all analysts and salespersons globally are registered and regulated by the FCA and all research globally is published with the regulatory oversight of New Street Research LLP.

Identifying Research Conflicts

Our research is not distributed to Retail clients. Our research or other material does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. No employee of NSR (or their associates), exercise investment discretion over, or have a financial interest in any of the securities of any issuer analysed by New Street.

New Street has in place procedures to identify and manage potential conflicts arising from the publication of research. Internal guidance is provided to all personnel to ensure that they are aware of how conflicts of interest may arise and to ensure that analysts understand the Firm's, and their own, obligations in relation to the management of conflicts of interest. These conflicts can arise in respect of investor clients and the interests of New Street's officers and employees. We have detailed below how the Firm seeks to manage these conflicts.

Procedures for managing conflicts of interest related to the production of investment research reports:

Chinese Walls

New Street has implemented information barriers to regulate the unauthorised flow of inside information within the group.

These procedures include:

- (a) Training, to emphasise the importance of not improperly or inadvertently divulging confidential information.
- (b) Detailed procedures for dealing with a situation where there is a need for a Chinese Wall to be crossed and when it has occurred that proper records are maintained.
- (c) Regular monitoring to ensure that the effectiveness of the Chinese Wall is maintained.
- (d) Disciplinary sanctions are imposed where there has been a breach in a Chinese Wall.

Where the Firm has a conflict of interest arising between its own interests and those of its client or between two clients, for example, where it has information about one client which it would otherwise be required to use to the benefit of another client, these Chinese Wall arrangements allow the Firm to control the use of that information. In addition, on the basis that these Chinese Wall procedures are effectively maintained, knowledge which is held by one individual within the Firm will not be attributed to other persons within the Firm where any of the FCA Conduct of Business rules apply on that basis that the Firm has acted with knowledge.

Research Coverage

Research coverage decisions are made by the Head of Research and are made independently of the firms and sectors covered by the firm. As noted above, however, the firm may from time to time agree to provide clearly identified sponsored research on behalf of a corporate client.

From time to time New Street may consult external experts in a sector but prohibits such experts from disclosing any material non-public information.

Reporting lines and remuneration

Research analysts are supervised by and report directly to the Head of Research. Decisions on coverage, content and timing of investment research are made by the Head of Research.

Research analysts' remuneration is not directly linked to specific transactions, but related to the firm's overall result and the analyst's individual performance.

New Street has in place policies and procedures covering areas such as gifts and remuneration; bribery and corruption; insider dealing; and outside activities.

Wall Crossing Procedures

New Street has implemented clear wall-crossing procedures in respect of the receipt of non-public information by any employee, including investment research analysts. Where an analyst has access to material non-public market information, the analyst is prohibited from subsequently publishing or disseminating research recommendations or opinions on such company unless and until such public information is in the public domain.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

Compliance procedures

New Street has in place documented compliance policies and procedures, and regular training for staff, which include the following:

- Review and publication of investment research.
- Receipt or use of inside information and material non-public information.
- Outside activities by officers and employees.
- Gifts and entertainment.
- Bribery and facilitation payments.
- Conflicts of interest.
- Use of expert consultants.
- Whistle-blowing procedures.

All compliance policies are accessible by employees and are backed by sanctions for violations. Our compliance procedures are periodically reviewed by external compliance consultants, and monitoring reports are issued on a regular basis.

Our compliance and monitoring procedures meet the standards set out in the Financial Conduct Authority Handbook (<https://www.handbook.fca.org.uk/handbook>) and other relevant legislation.

Code of Ethics

New Street expects its employees always to act in the best interests of its clients and to place the interests of our clients ahead of our own. New Street has adopted a Code of Ethics which sets out the standard of business conduct expected from each member of our team.

New Street has a restrictive policy relating to personal dealing. New Street Group does not conduct any investment business and, accordingly, does not hold any positions in the securities mentioned in

its reports to clients. Moreover, the officers and employees of New Street are not permitted to hold a position in any securities or industry sector covered by the firm.

New Street or its affiliates may also perform services for or solicit business from any of the companies which it covers. The Code of Ethics restricts trading in any security in a sector which we cover in our research or any security for which we believe we may be privy to material non-public information. The Code of Ethics limits gifts and entertainment, be they received or given, to avoid conflicts of interests. The Code causes all outside business activities of our team members to be disclosed so that potential conflicts can be detected and addressed. All New Street employees must accept in writing the terms of the Code of Ethics upon employment, annually, and as amended.

The firm takes very seriously its duty under the FCA and Market Abuse Regulation (MAR). Any breach of the rules regarding Inside Information and Market Abuse may be considered gross misconduct and in this case, we would have to inform the FCA which would lead to an FCA investigation. This result of gross misconduct is an instant dismissal of the individual(s) involved and could result in further sanctions by the FCA with the possibility of criminal charges. Our staff and Senior Managers are well aware of the personal consequences, notwithstanding the reputational damage inside information could do to our firm.

New Street will provide a copy of the firm's Code of Ethics to any client or prospective client upon request by contacting the firm's Chief Compliance Officer, Maria Van Tonder (maria@newstreetresearch.com)

Participation in Client Transactions

New Street does not buy or sell securities to or from its clients. The firm does not have discretion over any client accounts and does not solicit clients to invest in any proprietary product.

Personal Trades

As described above, New Street employees are not permitted to purchase securities for their personal accounts which might also be subject of recommendations to clients.

Expert consultants

From time to time, New Street may make use of expert consultants, most commonly in the pharmaceuticals sector. Such consultants are prohibited by contract from disclosure of any inside or material non-public information.

Item 12. Brokerage Practices.

New Street does not itself arrange or direct client brokerage. The firm may, however, be remunerated by clients who have arranged to make payment to the Firm through soft commissions.

Item 13. Review of Accounts.

As a research provider, New Street does not have access to, and therefore does not review, client accounts.

Item 14. Client Referrals and Other Compensation.

New Street does not compensate any person not under its supervision for client referrals.

Item 15. Custody.

New Street does not accept or provide custodial services to its clients.

Item 16. Investment Discretion.

New Street does not have discretionary authority to manage client assets.

Item 17. Voting Client Securities.

New Street does not have authority to vote securities on behalf of clients.

Item 18. Financial Information.

In certain circumstances, registered investment advisers are required to provide you with financial information or disclosures about their financial condition in this Item. New Street has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has never been the subject of a bankruptcy proceeding or other financial event notifiable under the rules of the FCA.