

UK Stewardship Code Disclosure

REGULATORY CONTEXT:

Caxton Europe LLP (“the Firm”) is duly authorized and regulated by the Financial Conduct Authority (FCA). Consequently, it adheres to the stipulations set out in the FCA’s Conduct of Business Sourcebook (COBS).

COMPLIANCE WITH THE CODE:

COBS Rule 2.2.3R mandates firms to disclose their alignment with the UK Financial Reporting Council’s Stewardship Code (“the Code”). Although the Code’s adherence is voluntary, we acknowledge its essence. However, given our role as a subadvisor to Caxton Associates LP and our investment strategy that spans a broad spectrum of products and timeframes, activist shareholder engagement is not typical in the normal course of our business. Consequently, we’ve opted not to conform to the Code at present.

EU Shareholder Rights Directive Disclosure

REGULATORY CONTEXT:

Being authorized and regulated by the FCA, the Firm is obligated to meet the requirements set out in COBS.

DIRECTIVE REQUIREMENTS:

COBS 2.2B.5R necessitates firms investing in listed equities to:

1. Formulate and disclose an engagement policy as described in COBS 2.2B.6R.
2. Annually reveal how this policy has been actioned.

If not compliant, a cogent explanation for this decision needs to be disclosed.

OUR STANCE:

The Firm is a subadvisor of Caxton Associates LP; our diverse investment strategy spanning a variety of asset classes does not typically encompass an activist shareholder approach. Even when investing in listed equities, the broader Caxton Group typically aligns with management's proxy vote recommendations. Acknowledging the importance of shareholder engagement, we believe it's not pertinent for us to embrace an explicit engagement policy or to provide the associated disclosures currently.

COBS 2.2B.5R requires firms that invest in listed equities to: (1) develop and publicly disclose on their websites a copy of an engagement policy that includes the content specified in COBS 2.2B.6R; and (2) publicly disclose on an annual basis how the engagement policy has been implemented or, in either case, to publicly disclose a clear and reasoned explanation of why it has chosen not to comply with these requirements.