

CAMBRIDGE ASSOCIATES LIMITED
(the “Company” or “CA”)

UK STEWARDSHIP CODE DISCLOSURE STATEMENT

and

SHAREHOLDER RIGHTS DIRECTIVE II DISCLOSURE STATEMENT

June 2020

UK STEWARDSHIP CODE

Under Rule 2.2.3R of the FCA Handbook’s Conduct of Business Sourcebook (“COBS”), the Company 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”).

The Code aims to enhance the quality of engagement between asset managers and investee 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 investors should aspire. The Code is directed in the first instance to asset owners and asset managers with equity holdings in listed companies.

The Code consists of 12 Principles for asset managers and asset owners:

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.

Adherence to the Code is voluntary. COBS 2.2.3R requires FCA-regulated firms to disclose the nature of their commitment to the Code or, where they do not commit to the Code, their alternative investment strategy.

While the Company maintains an active commitment to environmental, social and governance (“ESG”) standards in respect of its investment services and seeks to align its approach with the broad aims of the Code, the provisions of the Code are not relevant to the type of investment activity undertaken by CA. The Company does not trade or provide advice with respect to individual equities and has therefore chosen not to commit to the Code at this time.

The Company's investment services generally encompass the development of optimal, long-term asset allocation strategies that can meet clients' specific risk-return objectives. Investment advisory services are primarily focused on establishing investment objectives and policies, developing asset allocation strategies and manager structures, selecting investment managers and ensuring that sound decision-making processes are in place. If the Company's investment activity changes in such a manner that the provisions of the Code become relevant, the Company will amend this disclosure accordingly.

SHAREHOLDER RIGHTS DIRECTIVE II

The Shareholder Rights Directive ("SRD") II imposes, by virtue of section COBS 2.2B of the FCA Handbook, certain requirements for UK MiFID investment firms that provide portfolio management services to investors. In particular, these requirements apply to the extent that a firm is investing on behalf of investors in shares traded on a regulated market.

As such, firms must either develop and publicly disclose an engagement policy that meets the requirements of COBS 2.2B.6R and publicly disclose on an annual basis how their engagement policy has been implemented appropriately, or publicly disclose a clear and reasoned explanation of why they have chosen not to comply with the said requirement.

The Company has determined that the requirements in COBS 2.2B do not apply to it as the type of investment activity undertaken by the Company is out of scope of these requirements. The Company does not trade or provide advice on single shares.

For further information, please contact:

Sean Hanna
Head of Compliance
Cambridge Associates Limited
Email: shanna@cambridgeassociates.com
Telephone: +44 207 592 2293
Fax: +44 207 592 2201