

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

UK STEWARDSHIP CODE DISCLOSURE STATEMENT

and

SHAREHOLDER RIGHTS DIRECTIVE II DISCLOSURE STATEMENT

June 2021

UK STEWARDSHIP CODE

Under Rule 2.2.3R of the FCA Handbook’s Conduct of Business Sourcebook (“COBS”), CA 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 2020 Stewardship Code sets high stewardship standards for asset owners and asset managers with equity holdings in listed companies and for service providers that support them.

The Code consists of 6 Principles for service providers:

1. Signatories’ purpose, investment beliefs, strategy, and culture enable effective stewardship that creates long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.
2. Signatories’ governance, workforce, resources and incentives enable them to provide effective stewardship.
3. Signatories manage conflicts of interest to put the best interests of clients first.
4. Signatories identify and respond to market-wide and systemic risks to promote a well-functioning financial system.
5. Signatories support clients’ integration of stewardship and investment, taking into account, material environmental, social and governance issues, and communicating what activities they have undertaken.
6. Signatories review their policies and assure their processes.

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 asset owners and asset managers 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 asset owners and asset managers Code at this time. However, in the short term it is going to consider its approach with regard to the service providers Code.

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, CA 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.

CA 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. CA does not trade or provide advice on single shares.

For further information, please contact:

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