

The UK Stewardship Code

Under Rule 2.2.3R of the FCA's Conduct of Business Sourcebook, Cheyne Capital Management (UK) LLP ("Cheyne") is required to include on this website a disclosure about the nature of its commitment to the UK Financial Reporting Council's UK Stewardship Code (the "Code") or, where it does not commit to the Code, its alternative investment strategy. The Code is a voluntary code and sets out a number of principles relating to engagement by investors with UK equity issuers. Investors that commit to the Code can either comply with it in full or choose not to comply with aspects of the Code, in which case they are required to explain their non compliance.

As a fiduciary and alternative investment fund manager, Cheyne has a duty to act in the best interests of all investors and our aim is to protect and enhance returns in line with a fund's investment guidelines and objectives and any specific risk tolerances specified within a fund's Information Memorandum or Prospectus.

Cheyne pursues a number of different investment strategies, including Investment Grade Corporate Credit, Real Estate Debt, Social Property Impact, Strategic Value Credit, Convertibles and Equities. Our equity strategies include Long Short and Event Driven, both of which involve investing in global equities, including UK equities. The Code is therefore relevant to some aspects of Cheyne's trading. While Cheyne supports the objectives that underlie the Code, we have chosen not to commit to the Code.

Cheyne invests in a variety of asset classes and in a variety of jurisdictions globally. When we feel it is necessary we take a global approach to engagement with issuers and their management in all of the jurisdictions in which we invest and consequently, we do not consider it appropriate to commit to any particular voluntary code of practice relating to any individual jurisdiction. We have arrangements in place to receive details of forthcoming corporate meetings. These details are provided to the relevant fund management teams who are given the opportunity to consider whether to vote or abstain. We do not make use of automated voting services provided by third parties. Our aim as a fiduciary is to consider stewardship issues on a case by case basis, making bespoke decisions in the best interests of investors in light of a particular circumstance and the fund's mandate in question.

Cheyne is a founding member of the Hedge Funds Working Group and was one of the original signatories to the Standards Board for Alternative Investments ("SBAI"). As a signatory, Cheyne is proud to have its funds comply with the best practice standards December 2008.