

Shareholders Rights Directive II ('SRD II' - 2017/828) Statement

Introduction

Sound Point Capital Management UK LLP is a discretionary portfolio manager/full-scope UK AIFM

SRD II

Article 3g of SRD II, which is summarised in the FCA Handbook under COBS 2.2B, requires a firm such as Sound Point Capital Management UK LLP to either:

- develop and disclose an engagement policy describing how the firm integrates shareholder engagement in its investment strategy; or
- disclose why the firm has chosen not to comply with those requirements.

Such an engagement policy requires a firm to describe how it:

- integrates shareholder engagement in its investment strategy;
- monitors investee companies on relevant matters, including:
 - strategy
 - financial and non-financial performance and risk
 - capital structure
 - social and environmental impact and corporate governance
- conducts dialogues with investee companies;
- exercises voting rights and other rights attached to shares;
- cooperates with other shareholders;
- communicates with relevant stakeholders of the investee companies; and
- manages actual and potential conflicts of interests in relation to the firm's engagement.

The above engagement policy is limited to the extent that a firm invests on behalf of investors in shares traded on a regulated market (or on third country markets that meet comparable requirements and where the shares dealt in are of a quality comparable to those in a regulated market in the UK).

Sound Point Capital Management UK LLP's approach to engagement

The firm's investment strategy is such that

- ❖ the firm does not invest in shares traded on a regulated market (or comparable market).
- ❖ whilst the firm may invest in shares traded on a regulated market (or comparable market), the resultant holdings are of an insignificant size and voting power to the extent that the firm does not actively engage with investee companies.
- ❖ the firm is an active trader and so shares are not held with a long-term view with the result that the concept of actively engaging with investee companies would serve no practical purpose.

While Sound Point Capital Management UK LLP generally supports the objectives that underlie SRD II, for the above reason/reasons the firm has chosen not to produce an engagement policy at this time.