



2025 / Nevastar Finance Ltd.

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# STEWARDSHIP CODE DISCLOSURE

## **Stewardship Code Disclosure – Rule 2.2.3R of the FCA's Conduct of Business Sourcebook**

Under Rule 2.2.3R of the FCA's Conduct of Business Sourcebook (COBS), Nevastar Finance (the "Firm") is required to disclose the nature of its commitment to the UK Financial Reporting Council's Stewardship Code (the "Code") or, where it does not commit to the Code, to provide an explanation of its alternative investment strategy.

### **The UK Stewardship Code**

The Code is a voluntary set of principles published by the UK Financial Reporting Council (FRC). It is designed to enhance the quality of engagement between institutional investors and the companies in which they invest. The Code sets out best practices for asset owners and asset managers in areas such as monitoring investee companies, exercising voting rights, and engaging on material issues particularly in relation to UK-listed equities.

### **The Firm's Position on the Stewardship Code**

While the Firm acknowledges and supports the principles underlying the Code, it has chosen not to commit formally to it. The rationale for this decision is set out below:

- The Firm primarily pursues a top-down investment strategy, focusing on macroeconomic indicators and objective financial data, rather than bottom-up, company-specific analysis. Investment decisions are made to gain exposure to selected sectors, asset classes, currencies, or geographic regions—not through engagement with individual issuers.
- The Firm typically holds small (less than 5%) non-controlling positions in companies, including UK-listed equities. These positions are not intended to influence corporate behaviour or governance. Accordingly, engagement with company management is not a feature of the Firm's investment process.
- The Firm also invests in index-tracking vehicles and collective investment schemes, where portfolio construction is guided by benchmark composition or a combination of quantitative and qualitative analysis. In such cases, engagement with issuers is not relevant to the Firm's mandate.
- The Firm applies a global investment framework, and its approach to engagement—where applicable—is determined and implemented on a consistent group-wide basis. As such, the Firm does not consider it appropriate to commit to any stewardship code specific to a single jurisdiction.

## Conclusion

Given the Firm's investment philosophy, the nature of the portfolios it manages, and its global approach to investment management, the Firm does not consider adherence to the UK Stewardship Code to be relevant or proportionate to its business model. This position is reviewed periodically and may be reconsidered in the event of material changes to the Firm's investment strategy or regulatory obligations.