



INSIGHT.DATA.CLARITY.

PUBLIC

April 2026

Engagement Policy

Version 1.6

Review history:

Version	Date	Edited by	Signed off by	Comments
1.0	2020 10	TT / WB	MT	Initial
1.1	2021 02	TT / WB	MT	Update of § Proxy Voting
1.2	2022 01	WB	MT	Annual update
1.3	2023 01	WB	MT	Annual update
1.4	2024 01	VT	MT	Annual update
1.5	2025 02	TDS	WB	Annual update
1.6	2026 04	PM	WB	Annual update

Update frequency: Annual

Contents

Glossary of Terms	2
Introduction.....	4
1. <i>Fiduciary duty</i>	4
2. <i>CFM</i>	4
Monitoring investee companies	4
1. <i>Fundamental analysis (corporate strategy, financial and non-financial performance, risk and allocation of capital)</i>	4
2. <i>ESG analysis</i>	5
3. <i>Exclusion of issuers</i>	5
Dialogue with issuers, stakeholders and other shareholders	5
Voting.....	6
1. <i>Direct engagement</i>	6
2. <i>Proxy voting</i>	6
Conflicts of interest	6
Review	7

Glossary of Terms

CFM or the Firm	Collectively, the Capital Fund Management group of companies
Client	Any fund, mandate or account managed or advised by a CFM entity
ESG	Environmental, Social and Governance factors refer to three families of factors, scores or criteria, depending on the context, used to evaluate companies' behavior and impact in relation to their significant stakeholders and efforts with sustainability.

Introduction

This policy (the “Engagement Policy”) sets out the framework applied at the Capital Fund Management group of companies (collectively “CFM” or the “Firm”) in order to achieve its obligations as required by the Shareholders Right Directive II (“SRD II”) and its implementation in French law.

1. Fiduciary duty

CFM serves as discretionary investment manager for its clients (the “Clients”), which include funds and managed accounts. It acts in a fiduciary capacity with respect to each of its advisory clients and shall seek to act in their best interest.

CFM’s intention is to carry out its fiduciary duty to its investors in line with the principles laid out in the ‘Fiduciary Duty in the 21st Century’ report backed by the UN PRI, UNEP FI, UNEP Inquiry and UN Global Compact. CFM is a signatory of the UN PRI.

2. CFM

CFM SA is a French limited liability company registered as a UCITS portfolio management company with the French AMF. The Firm is registered as an RIA with the SEC. The Firm is registered with the CFTC as a 4.7 exempt CTA and a 4.7 exempt CPO, and is a member of the NFA in each of those capacities.

CFM SA has five wholly owned subsidiaries: Capital Fund Management International, Inc. (“CFMI”), CFM North America, Inc (“CFM NA”), both incorporated in Delaware (U.S.), CFM Canada Limited incorporated in Canada (“CFMC”), CFM Corporate Member Ltd incorporated in the UK and CSysNet in France. CFMI carries out the investor relations activities of CFM in the US. CFM NA acts as the Managing Member/General Partner and CPO of certain on-shore limited liability companies (LLCs) and offshore limited partnerships (LPs). CFMC carries-out the investor relations activities of CFM in Canada. CFM Corporate Member Ltd is the managing member of Capital Fund Management LLP (“CFM LLP”) which is registered as an AIFM with the UK Financial Conduct Authority (“FCA”). CSysNet is a French company dedicated to the procurement of IT hardware and software to the CFM group of companies.

None of the subsidiaries listed provide any investment services to third parties (CFM LLP has delegated all portfolio management to CFM SA). All investments are directed by CFM SA.

Monitoring investee companies

1. Fundamental analysis (corporate strategy, financial and non-financial performance, risk and allocation of capital)

CFM implements trading programs as automated computer programs that generate trading orders (i.e. an instruction to trade a specific quantity of a financial instrument for the account of a Client) based on various data, including price and fundamental data related to issuers. CFM’s investment universe includes over 16,000 issuers. This data is constantly updated and the trading programs evaluate it every day.

2. ESG analysis

CFM maintains an ESG Policy, which aims at describing the Firm's sustainability initiatives both at the level of CFM (referred to as Corporate Social Responsibility or CSR) and at the level of portfolio management (referred to as Responsible Investment or RI). In March 2020, CFM's board decided to strengthen the Firm's sustainability focus and to enhance the Firm's ESG Policy, including setting up specific sustainability governance and research initiatives within the Firm.

3. Exclusion of issuers

CFM refrains from establishing long exposures in manufacturers of controversial weapons:

- cluster bombs,
- cluster ammunitions,
- anti-personal mines,
- chemical and biological weapons,
- depleted uranium weapons,
- blinding lasers, and
- incendiary weapons.

In addition, CFM currently refrains from taking any positions on coal future contracts. In addition, CFM will gradually reduce to zero any net long exposure to any company that derived, for the past 4 consecutive quarters (or previous year, if quarterly information is not available), more than 20% of its operating revenue from thermal coal (whether mining or electricity production). CFM will allow exceptions to this rule when either:

- The company has sustainable activities which outweigh thermal coal-related activities by revenue, or
- The company's alignment to net zero objectives is sufficiently material (as measured by an Implied Temperature Rise (provided by a leading third data provider) strictly lower than 3 degrees Celsius).

To exclude these manufacturers from its investment universe, CFM relies on data sourced from an external provider of ESG solutions. The name of the provider in question is available to investors on request.

CFM may from time to time receive requests from managed account clients to exclude certain securities from their investment universe based on their own policies. CFM will endeavour to accommodate the requests of managed account clients regarding their exclusion policies as far as legally and operationally possible and as long as such lists do not materially impact the investment strategy that CFM is expected to deliver.

Dialogue with issuers, stakeholders and other shareholders

Given that CFM's trading activities are based on quantitative strategies, CFM does not currently engage directly with issuers, stakeholders and other shareholders. However, CFM may deem appropriate and efficient to support collaborative engagements that align with the sustainability aware investment approach underpinning its ESG integration efforts. For instance, the Firm supports the TCFD and is a signatory of the Carbon Disclosure Project, which urges issuers to provide more transparency as to their carbon emissions and recently supported the CDP Science-Based Targets Campaign. Additionally, CFM joined the Climate Action 100+ initiative in July 2020, as collaborator on one of the airlines engagements.

CFM may take part in class actions with other shareholders, notably when an issuer goes bankrupt or damages the rights of CFM's Clients. The Firm will generally have an authority to process class action claims on the behalf of Clients. Clients that are managed accounts generally also retain the right to file class action claims themselves.

Voting

CFM acknowledges that positioning, voting and engaging activities may produce a societal impact.

1. Direct engagement

CFM's trading activities are based on quantitative signals that aim to predict prices on different time scales that generally range from shorter-term (approximately a day) to medium term (a few months). The securities portfolios CFM manages are generally designed to be highly diversified and do not seek to include controlling stakes. At the date of this document, none of CFM's investment strategies seek to participate actively in the governance of the issuers of securities that it includes in Client portfolios.

2. Proxy voting

CFM has a policy to vote by proxy in shareholder meetings that its Clients are notified of, using a third-party proxy voting adviser (the "Proxy Agent"), except when the aggregate Clients' holdings in an issuer are insignificant. CFM will generally vote by proxy in line with the recommendations of the Proxy Agent. To this end, CFM has subscribed to the Proxy Agent's ESG Guidelines and has verified, based on general guidelines and principles, that the recommendations rather systematically supports shareholder motions that demand more transparency from companies in terms of strategy for climate change and handling of related risks, in terms of lobbying money being spent on climate change related initiatives, and in terms of linking management remuneration to achieving ESG related targets. For ballots relating to particularly sensitive topics, the CFM ESG team may confirm that the Proxy Agent's recommendation fits its Clients' best interest before approving the vote.

It should be noted that the Firm may only vote proxies when it has a mandate to do so and when securities are held with a custodian that allows for proxy voting. Securities that are held with a prime broker that has taken title interest in the security through re-use are generally not available to vote.

At the date of this document, the physical securities portfolios advised by CFM only include securities listed in the United States. The Firm generally trades exposures to non-US equities as single stock swaps or CFD's and such instruments thus do not provide the possibility to vote proxies.

Conflicts of interest

CFM has implemented a Policy on Conflicts of Interest.

CFM has performed a review of potential conflicts of interest that may arise in the ordinary course of its business activities, and where necessary, has implemented mitigating controls.

CFM has also set up an organization scheme designed to limit the risks of conflicts of interest and ensure an effective separation between the main functions of CFM. The reporting lines of the different departments of CFM are subject to particular attention.

For example, whenever new products are launched or contracts signed with new counterparties (shareholders, subsidiaries, investors, brokers...), CFM makes sure that these new situations do not give rise to conflicts of interest. Should a potential conflict be identified, and should CFM wants to proceed with the considered launch or contract, the issue would be managed according to the procedure.

Review

This Engagement Policy is reviewed and approved annually or more frequently as needed and is publicly available on CFM's website.