

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

Introduction

Alphadyne Asset Management UK LLP ("Alphadyne UK" or the "Firm") is authorised and regulated by the Financial Conduct Authority ("FCA"), as a BIPRU Limited Licence Investment Firm. The Firm has been delegated portfolio management from its US parent entity, and only Client, Alphadyne Asset Management LP.

SRD II

Article 3g of SRD II, which is summarised in the FCA Handbook under COBS 2.2B, requires a firm such as Alphadyne UK 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).

While Alphadyne UK generally supports the objectives that underlie SRD II, as the Firm predominantly trades in global interest rate and foreign exchange markets through swaps, futures, options and cash instruments, the exposure to shares traded on regulated markets or comparable markets is very low or of an insignificant size and voting power that the Firm does not actively engage with investee companies. As such the Firm has chosen not to produce an engagement policy at this time – it is important to note that this policy will be kept under review.