

### **EU Sustainable Finance Disclosure Regulation**

The Sustainable Finance Disclosure Regulation ('SFDR') entered into force on 10 March 2021. The Regulation requires managers to better inform end-investors with regard to the integration of sustainability risks, the consideration of adverse sustainability impacts, the promotion of environmental or social characteristics, and sustainable investment, as applicable.

This document specifically addresses Article 3 of SFDR: "Financial market participants shall publish on their websites information about their policies on the integration of sustainability risks in their investment decision-making process."

The Investment Manager considers socially responsible and sustainable practices as an inherent part of a sound business strategy. In this regard, the Investment Manager examines such factors for every prospective investment while screening companies that form part of its investment universe. When assessing the Sustainability Risk associated with underlying investments, the Investment Manager is assessing the risk that the value of such underlying investments could be materially negatively impacted by an environmental, social or governance event or condition ("ESG Event").

In addition, management quality, corporate governance, transparency and disclosure standards are some of the key criteria of the Investment Manager's fundamental investment philosophy. Before making an investment, the Investment Manager looks at various aspects of investee companies including integrity of the management, alignment of its objectives and orientation towards minority shareholders.

The Investment Manager also conducts fundamental analysis on each potential investment in order to allow it to assess the adequacy of ESG programmes and practices of an issuer to manage the Sustainability Risk it faces. The Investment Manager directly engages with management at regular intervals in order to satisfy itself that the relevant issuers follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. The Investment Manager monitors investee companies and checks whether companies have policies in place on these factors.

To undertake this analysis, the Investment Manager uses publicly available data and data provided by investee companies.

Unless otherwise stated in the relevant Fund Supplement, each Fund of the ICAV does not have as its objective sustainable investment, nor does it promote environmental or social characteristics. As a result, each Fund of the ICAV does not fall within Article 5 or Article 6 of Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment (the "**Taxonomy Regulation**"). The investments underlying each such Fund of the ICAV do not take into account the EU criteria for environmentally sustainable economic activities.

The Investment Manager may consider it appropriate to integrate sustainability risks into its investment decisions for the Fund in the future and this disclosure will be updated accordingly to reflect any such decision.

### **Principal Adverse Impacts**

Taking account of the ICAV's size and the nature and scale of its activities, the Manager and the Investment Manager do not currently consider the principal adverse impacts of investment decisions on sustainability factors as set out in the SFDR and in the ESA Final Report on draft Regulatory Technical Standards on ESG Disclosures dated 2 February 2021 ("**Finalised Draft RTS**"), relating to principal adverse impacts of investment decisions on sustainability factors (the "**PAI regime**").