

Annex I

Product name: Polar Capital Funds plc - Global Technology Fund (the "Fund")
Legal entity identifier: 549300OF1H21ODJZM634

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

Yes

No

It will make a minimum of **sustainable investments with an environmental objective:** ____%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective:** ____%

It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable investment

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



What environmental and/or social characteristics are promoted by this financial product?

The Fund primarily seeks to invest in companies within the technology investment universe with products and services which contribute to;

- (i) Access to technology and communications infrastructure
- (ii) Increasing business productivity and efficiency
- (iii) Empowering individuals

For the avoidance of doubt, the Fund may invest in companies within the technology investment universe the products and services of which do not, in part or in whole, contribute to the promoted characteristics outlined above. Such companies may include, by way of example, those operating in emerging areas of technology which lack well-defined use cases or for which their contribution to the promoted characteristics is uncertain, as long as the Investment Manager is of the view that an investment offers attractive investment opportunities for the Fund and aligns with the broader ESG elements of the Fund's investment process.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The Investment Manager will measure the attainment of the Fund's promoted characteristics by analysing the proportion of its investee companies' current or estimated future revenues derived from products, services or activities aligned with each promoted characteristic.

The Investment Manager will also use adherence to the Fund's exclusion policy as an indicator to measure attainment of the Fund's environmental and social characteristics.

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

The Fund does not invest in Sustainable Investments as defined under Article 2 (17) of the SFDR.

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

The Fund does not invest in Sustainable Investments.

— *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The Fund does not invest in Sustainable Investments.

— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Fund does not invest in Sustainable Investments.

Sustainability indicators
measure how the environmental or social characteristics promoted by the financial product are attained.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

- Yes
 No

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Where material, the Investment Manager will consider the principal adverse impacts of a company on the environment and society.

Unless subject to an exclusion, the Investment Manager will seek to improve material adverse impacts of investee companies through active ownership activities such as engagement, voting or if necessary, divestment from the company within a reasonable timeframe, taking into consideration the best interests of the Fund and its Shareholders.

Factors taken into account when assessing a company’s impact on the environment include greenhouse gas (“GHG”) emissions, including, but not limited to, indicators such as absolute emissions, carbon footprint, emissions intensity and carbon reduction initiatives. Revenues of investee companies attributed to the fossil fuel sector are considered by the Investment Manager. Where material revenues are flagged, the Investment Manager will assess the company’s carbon reduction policies or targets related to achieving net zero.

The Investment Manager will consider the board gender diversity of investee companies, and will, where it deems appropriate, use its tools of active ownership to encourage better diversity practices.

The Investment Manager considers the standards of the United Nations Global Compact, and the Organisation for Economic Co-Operation and Development’s Guidelines for Multinational Enterprises. If a company is involved in severe controversies or norms violations, the Investment Manager will assess the severity of the incident and decide the appropriate action of whether to monitor, enter enhanced engagement, or divest from the company.

The Investment Manager will exclude any company involved in the manufacture or sale of controversial weapons, such as cluster munitions or anti-personnel mines.

Information relating to these principal adverse impacts for this Fund will be made available in the Fund’s annual report.



What investment strategy does this financial product follow?

Exclusion Screening Process

The Investment Manager first applies a norms-based exclusion screen to the Fund's investment universe to ensure that potential investee companies that are involved in controversial practices from an ESG perspective are excluded from the Fund.

This involves the Investment Manager evaluating each company against their alignment with the United Nation's Global Compact, the United Nation's Guiding Principles on Business and Human Rights, the International Labour Organisation's conventions and the Organisation for Economic Co-Operation and Development's Guidelines for Multinational Enterprises.

Where the Investment Manager assesses that a company does not align adequately with these standards, the Investment Manager will exclude that company from the Fund's investment universe. Where a company no longer aligns with these standards following investment, the Investment Manager will, as a guideline, engage with that company first to understand the materiality of the risks and management's strategic direction to ensure future alignment.

Where the company does not demonstrate adequate and timely progress towards realigning with these standards, steps will be taken to divest from the company within a reasonable timeframe, taking into consideration the best interests of the Fund and its Shareholders.

The Investment Manager's investment process excludes those companies that are involved in controversial weapons production or that derive more than 5% of their revenues from the following activities: (i) Tobacco production (ii) Thermal coal production (iii) Conventional and non-conventional oil and gas exploration and generation

Alignment Assessment

Once the Investment Manager has applied its normative and negative exclusion screens to the Fund's investment universe and carried out its fundamental assessment of the financial profile and growth prospects of a company, the Investment Manager will review the company's alignment with the Fund's promoted characteristics.

The Investment Manager assesses the alignment of a company with the characteristics in the following manner:

Access to technology and communications infrastructure - The Investment Manager assesses the ability of a company's products and services to provide technology, communications, clean technology (i.e., any process, product or service that reduces negative environmental impacts through significant energy efficiency improvements, the sustainable use of resources or environmental protection activities) and data security infrastructure to promote inclusive and sustainable industrialization and foster innovation.

Increasing business productivity and efficiency - The Investment Manager assesses the ability of a company's products and services to contribute to responsible economic growth through products and services that enable increases in workforce productivity, new business formation and more efficient use of resources.

Empowering individuals - The Investment Manager assesses the ability of a company's products and services to enhance the wellbeing and lives of individuals through innovative platforms and services that support social empowerment, improved communication, broader access to commerce, lifelong learning, training and inclusion.

The Investment Manager seeks to ensure that at least 50% of the Fund's aggregated current or estimated future revenue exposure is derived from products, services or activities aligned with the Fund's promoted characteristics.

For the avoidance of doubt, where a company does not currently derive substantive revenue from products, services or activities aligned with the Fund's promoted characteristics, but in the Investment Manager's view, has the potential to do so in the future, the Investment Manager

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

will use its own analysis and forecasts, taking indicators such as the company's research and development spend as an input, to estimate the company's future revenue from new, or existing and improved, products, services or activities aligned with the Fund's promoted characteristics.

ESG Analysis

The Investment Manager combines evaluation of the contribution of a company to the Fund's promoted characteristics with a broader assessment of the ESG risks and opportunities relevant to the company.

This assessment begins with the review of third party ESG data and research analysis, with the Investment Manager carrying out further investigation into areas of concern that are highlighted by the data and research.

The Investment Manager assesses the governance practices of companies as part of their investment process. This involves an assessment of the company's governance framework in the context of its peers taking account of management structures such as the composition of the company's board, its remuneration structures and executive compensation, along with employee relations and tax compliance.

Ongoing Monitoring

The Investment Manager will monitor investee companies' alignment with its exclusionary screening process, alignment with the Fund's promoted characteristics and broader ESG profiles through the Investment Manager's fundamental analysis of the investee companies, through third party ESG research and data and through an assessment of that investee company's corporate disclosures, including their annual financial and sustainability reports as well as third party ESG research sources.

The Investment Manager also engages with the investee companies of the Fund and companies within the Fund's investment universe on a periodic basis regarding ESG matters considered material to that company.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The Investment Manager applies the following binding elements within the investment process to attain the Fund's ESG characteristics:

- (i) an exclusion screening process carried out on the Fund's investment universe, including the application of both normative and negative screens; and
- (ii) an assessment of the alignment of companies revenues within the Fund's investment universe with the Fund's promoted characteristics; and
- (iii) an assurance that at least 50% of the Fund's aggregated current or estimated future revenue exposure is derived from products, services or activities aligned with the Fund's promoted characteristics.

In addition to the exclusion above of companies involved in controversial weapons, the Investment Manager's investment process excludes those companies that are involved in controversial weapons production or that derive more than 5% of their revenues from the following activities:

- (i) tobacco production;
- (ii) thermal coal production; and
- (iii) conventional and non-conventional oil and gas exploration and generation.

The Investment Manager evaluates each company against its alignment with the United Nation's Global Compact, the United Nation's Guiding Principles on Business and Human Rights, the International Labour Organisation's conventions and the Organisation for Economic Co-Operation and Development's (OECD) Guidelines for

Multinational Enterprises. Where the Investment Manager decides that a company does not align adequately with these standards, the Investment Manager will exclude that company.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund does not commit to reduce the scope of investments by a minimum rate prior to the application of the investment strategy.

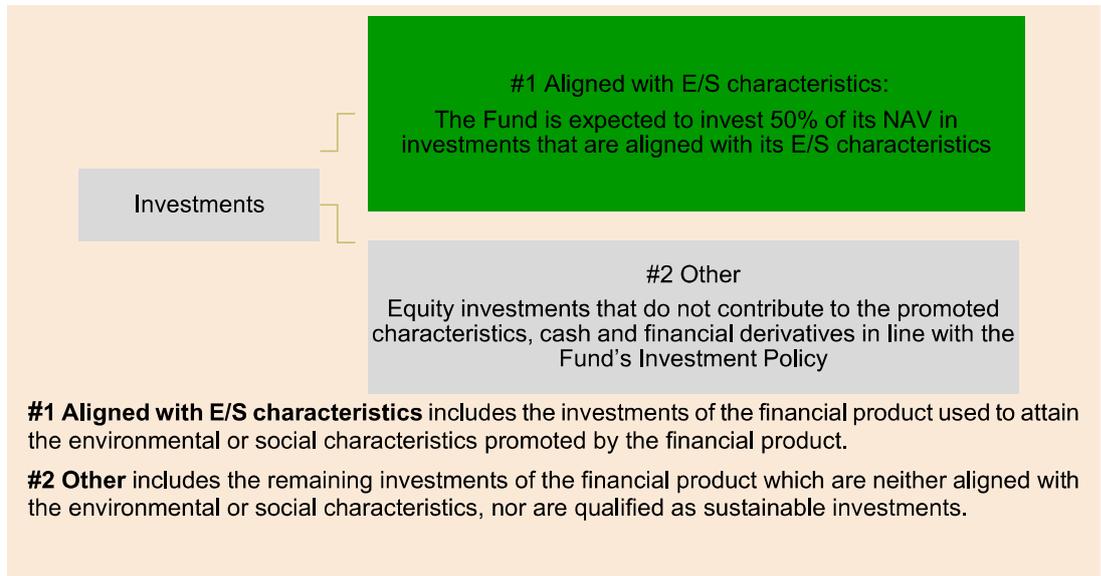
- ***What is the policy to assess good governance practices of the investee companies?***

The Investment Manager assesses the governance practices of companies as part of their investment process. This involves an assessment of the company's governance framework in the context of its peers taking account of management structures such as the composition of the company's board, remuneration structures, and executive compensation, along with employee relations and tax compliance.



What is the asset allocation planned for this financial product?

The Fund primarily seeks to invest in companies within the technology investment universe. The Investment Manager assesses 100% of the companies in the Fund for revenue alignment towards the Fund's promoted environmental and/or social characteristics ("E/S") characteristics.



The minimum proportion of the investments of the Fund used to meet the environmental or social characteristics promoted is 50%.

The Fund's investments identified as #2 Other in the above diagram will be held in equity securities that do not contribute towards the Fund's promoted characteristics, cash and financial derivatives.

Up to 20% of the Fund's investments may be held in cash and financial derivatives, in line with the Fund's investment policy. There are no minimum environmental or social safeguards applicable to these investments.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Although the Fund is permitted to invest in financial derivatives, the Investment Manager will not generally seek to invest in these financial derivatives to promote its environmental or social characteristics. However, financial derivatives may be held by the Fund for risk management purposes, for efficient portfolio management purposes or where they have been received from an investee company pursuant to a corporate action (e.g. an issue of warrants or share options).

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

0%

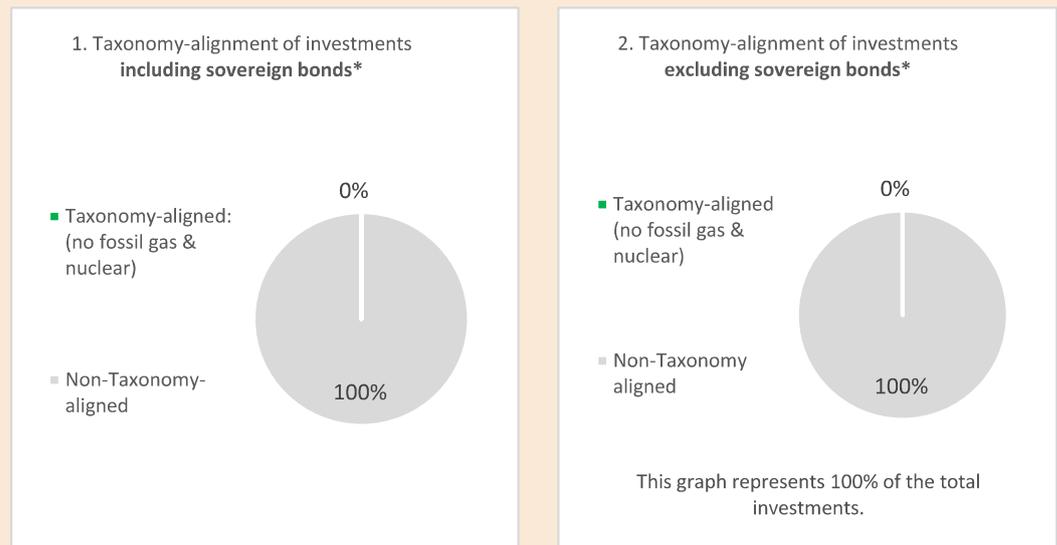
- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?**

Yes:

In fossil gas In nuclear energy

No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What is the minimum share of investments in transitional and enabling activities?**

The Fund does not invest in environmentally sustainable activities, transitional activities or enabling activities under the EU Taxonomy Regulation.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Fund does not invest in environmentally sustainable activities, transitional activities or enabling activities under the EU Taxonomy Regulation.

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



What is the minimum share of socially sustainable investments?

The Fund does not invest in socially Sustainable Investments.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The Fund’s investments identified as #2 Other in the above diagram will be held in equity securities that do not contribute towards the Fund’s promoted characteristics, cash and financial derivatives.

Any equity holdings that are not positively aligned with the promoted E/S characteristics shall be held in order to meet the Fund’s investment objective: to achieve long term capital appreciation, while cash or financial derivatives are typically held for liquidity purposes or efficient portfolio management.

The Investment Manager applies minimum environmental and social safeguards to all investments within the Fund, including ‘Other’ investments, through the enforcement of its exclusion policy set out above.

Furthermore, the Investment Manager carries out boarder ESG analysis on investee companies, irrespective of their alignment with the Fund’s characteristics, using third party ESG research and data providers as an initial input and supplements this with the Investment Manager’s own ESG analysis.

Up to 20% of the Fund’s investments may be held in cash and financial derivatives, in line with the Fund’s investment policy. There are no additional minimum environmental or social safeguards applicable to these investments.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

The Fund has not designated a specific index as a reference benchmark for determining its alignment with the promoted environmental and social characteristics.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

The Fund has not designated a specific index as a reference benchmark for determining its alignment with the promoted environmental and social characteristics.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

The Fund has not designated a specific index as a reference benchmark for determining its alignment with the promoted environmental and social characteristics.

- ***How does the designated index differ from a relevant broad market index?***

The Fund has not designated a specific index as a reference benchmark for determining its alignment with the promoted environmental and social characteristics.

- ***Where can the methodology used for the calculation of the designated index be found?***

The Fund has not designated a specific index as a reference benchmark for determining its alignment with the promoted environmental and social characteristics.



Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://www.polarcapital.co.uk/Our-Funds/Global-Technology/#/Literature>

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.