

## **Deuterium Global Dynamic Allocation Fund – Website Disclosures**

### **Status under the EU Sustainable Finance Disclosure Regulation (SFDR)**

The Fund, in conjunction with the Manager and the Investment Manager, has categorised the Sub-Fund as meeting the provisions set out in Article 8 of SFDR for products which promote environmental and social characteristics, as further described below.

### **Description of the environmental and social characteristics promoted by the Fund**

The Sub-Fund promotes the environmental and social characteristics applied under the United Nations Global Compact (“UNGC”) principles.

The UNGC principles are derived from the Universal Declaration of Human Rights, the International Labour Organization’s Declarations on Fundamental Principles and Rights of Work, the Rio Declaration on Environment and Development and the United Nations Convention Against Corruption. The UNGC principles fall under four main headings and ten sub-headings as follows:

#### **(A) Human Rights**

- (i) businesses should support and respect the protection of internationally proclaimed human rights;
- (ii) make sure that they are not complicit in human rights abuse);

#### **(B) Labour**

- (iii) businesses should uphold the Freedom of association and the effective recognition of the rights to collective bargaining;
- (iv) the elimination of all forms of forced and compulsory labour;
- (v) the effective abolition of child labour;
- (vi) the elimination of discrimination in respect of employment and occupation);

#### **(C) Environment**

- (vii) Business should support a precautionary approach to environmental challenges;
- (viii) undertake initiatives to promote greater environmental responsibility;
- (ix) encourage the development and differences of environmentally friendly technologies);  
and

#### **(D) Anti-Corruption**

- (x) Businesses should work against corruption in all its forms, including extortion and bribery).

### **Information on the methodologies used to assess, measure and monitor environmental and social characteristics**

In order to ensure that the Sub-Fund promotes the environmental and social characteristics in accordance with Article 8 of SFDR, the Investment Manager applies the following binding criteria

to the selection of underlying assets as part of its investment decision making process, which may not be disapplied or overridden.

The Investment Manager, in constructing, monitoring and managing the portfolio of the Sub-Fund, will adopt various indices which implement a screening process with regards to environmental, social and governance (“ESG”) related issues (“ESG Screened Indices”). Such ESG Screened Indices exclude, or apply a maximum weighting cap to, securities which do not comply, or which only partially comply, with the selection criteria for the relevant ESG Screened Index. Prior to a security being included in an ESG Screened Index, such security is reviewed by the relevant index provider on the basis of specific ESG related themes which may include climate change, natural capital, pollution and waste, environmental opportunities, human capital, product liability, stakeholder opposition, social opportunities, corporate governance and corporate behaviour.

Only those securities included in an ESG Screened Index adopted by the Investment Manager shall be eligible as investments for the Sub-Fund.

In choosing to adopt any ESG Screened Index, the Investment Manager will seek to ensure that the selection criteria applied by that ESG Screened Index are consistent with the promotion of environmental and social characteristics. The Investment Manager will periodically review the criteria of the index provider whereby securities which form part of the parent index of the relevant ESG Screened Index will be excluded or limited from the ESG Screened Index, for example where the business activities of an issuer include controversial weapons, nuclear weapons, civilian firearms, tobacco, thermal coal and oil sands. The securities of issuers who do not comply with the UNGC principles set out above may also be excluded.

100% of equity securities in the Sub-Fund’s portfolio are selected on the basis of the foregoing, which reflect the environmental and social characteristics promoted by the Fund.

The Investment Manager has not identified a reference benchmark for the purposes of SFDR, i.e. a benchmark has not been chosen for the purpose of achieving the environmental and social characteristics promoted by the Fund.

The Investment Manager expects the Sub-Fund will have investments aligned with the Taxonomy Regulation, however, no commitment has been made with regards to any minimum level of such investments. To date, the Taxonomy Regulation only covers a certain number of economic activities for which criteria have been established to determine their alignment to the Taxonomy Regulation in respect of the environmental objectives of climate change mitigation and adaptation.

Additional economic activities will be covered by the Taxonomy Regulation over time and criteria to determine the alignment of economic activities with the Taxonomy Regulation in respect of other environmental objectives will also be adopted.

Furthermore, the availability of data to assess the alignment of investments to the Taxonomy Regulation will improve over time, in particular when certain EU issuers will be required to disclose the alignment of their economic activities with the Taxonomy Regulation. The Manager and the Investment Manager, will continue to monitor the evolution of the Taxonomy Regulation and the availability of data to determine whether, if at all, this Sub-Fund will commit to a minimum level of investments which align with the Taxonomy Regulation.

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

## **Periodic reports**

A description of the extent to which environmental and social characteristics are met will be available as part of the annual report which will be published on this website once available.

## **Principal Adverse Impacts**

The SFDR requires the Fund to make a “comply or explain” decision whether to consider the principal adverse impacts of our investment decisions on sustainability factors. Taking into account their size, the nature and scale of their activities and the types of financial products they make available, the Investment Manager has decided not to comply with that regime at this time. The Investment Manager will review this decision periodically and at least annually.