

1. No Consideration of Principle Adverse Impacts

Article 4 of the Sustainable Finance Disclosure Regulations (EU) 2019/2088 (SFDR) requires Polar Capital to provide information on the principle adverse impacts of its investment decisions on sustainability factors. It is also required to demonstrate how it seeks to address these impacts in a given reference period, or to explain why it does not consider there to be any principle adverse impacts of its investment decisions on sustainability factors.

The information contained in these disclosures relates to the investment management activities of Polar Capital LLP and Polar Capital (Europe) SAS and their delegates (hereinafter 'Polar Capital').

Polar Capital Group does not have an average number of employees exceeding 500 during the financial year. As this is a requirement for reporting under SFDR, Polar Capital does not consider adverse impacts of investment decisions on sustainability factors on the basis that it is not a financial market participant that is required to do so.

Further, given Polar Capital Group does not have an average number of employees exceeding 500 during the financial year, Polar Capital Funds plc, the management company for Polar Capital's Irish-domiciled UCITS funds that has delegated investment management activities to Polar Capital LLP, does not consider adverse impacts of investment decisions on sustainability factors at an entity level.

2. Future Consideration of Principle Adverse Impacts

Polar Capital and Polar Capital Funds plc intend to consider the principle adverse sustainability impacts of investment decisions during the calendar year 2021 and to provide information on the policies and procedures used to identify and prioritise principle adverse impacts. The intention is also to provide a summary of those principle adverse impacts of investment decisions during the calendar year 2021, on this website, by 30 June 2022.

Until this information is made available, information on Polar Capital's policies on engagement with its investee companies and its adherence to codes of conduct for investing and recognised reporting international standards for due diligence and reporting can be found below.

3. Description of Engagement Policies

Polar Capital has put in place a Shareholder Engagement Policy under the Shareholder Rights Directive II (EU) 2017/828. The Policy outlines the approach of Polar Capital in respect of engagement with the investee companies of its products and can be found [here](#).

Polar Capital's stewardship activities are a key aspect of the investment teams' wider investment process and these are specific to each investment within the Group. An active, bottom-up approach to engagement and voting is an essential way for Polar Capital's fund managers to enact active ownership and perform their duty as stewards of their investors' capital.

Polar Capital does not invest for the purposes of effecting a specific or premeditated change within investee companies, commonly referred to within the financial industry as shareholder activism. However, where the investment teams at Polar Capital believe that change is required within an investee company, Polar Capital will engage with the investee company with the aim of communicating the change that the relevant investment team believe is required.

Engagement by an investment team at Polar Capital may take several forms but primarily investment teams at Polar Capital believe that meeting directly with management, either in person or remotely, and voting on shareholder resolutions are the most effective means of engagement.

Polar Capital has not generally sought to engage with other shareholders of an investee company. However, we recognise the benefit of collaborative engagement to effect positive change in company behaviour by pooling resources and expertise and having a combined influence that is greater than that of the sum of the individual investors. Ultimately, it is the Portfolio Manager's responsibility to ascertain whether it may be beneficial to act collectively with other investors. The Portfolio Manager must set out the reasons for this to the Chief Compliance Officer and go through the legal signoff procedure with regards to contractual responsibilities which may arise when acting in concert with other shareholders.

4. Adherence to business conduct codes and recognised international standards for due diligence and reporting

Polar Capital has been an adherent to the United Nations Principles of Responsible Investing (UN PRI) since 2018. Polar Capital is required to publish an annual Responsible Investment Transparency Report to explain how it adheres to the principles and the latest version in respect of Polar Capital's investment activities can be found [here](#).

Polar Capital is also a Tier 2 signatory to the UK Financial Reporting Council's Stewardship Code. The Stewardship Code was updated by the Financial Reporting Council during 2020 and Polar Capital intends to become a signatory to the updated code.