

GARRAWAY FUNDS PLC

INTEGRATION OF SUSTAINABILITY RISKS POLICY AND PRINCIPAL ADVERSE IMPACTS STATEMENT

Garraway Capital Management LLP (**Garraway**) is a London-based investment manager that is authorised and regulated by the Financial Conduct Authority. Garraway acts as a discretionary portfolio manager for collective investment schemes including Garraway Funds plc (the **Company**).

The Company is an open-ended umbrella investment company with variable capital and segregated liability between sub-funds (each a **Fund**) re-registered with limited liability under the laws of Ireland and authorised by the Central Bank of Ireland pursuant to the Irish European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended.

This document describes the policies of Garraway and the Company on the integration of sustainability risks in their investment decision-making process pursuant to Article 3 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as amended (**SFDR**). This document also includes a statement in respect of principal adverse impacts of investment decisions on sustainability factors pursuant to Article 4 SFDR and a statement in respect of the Company's remuneration policy pursuant to Article 5 SFDR.

At the time applicable provisions of SFDR become effective for the Company on 10 March 2021, the Regulatory Technical Standards on content, methodologies and presentation of disclosures pursuant to Articles 2a, 4(6) and (7), Article 8(3), Article 9(5), Article 10(2) and Article 11(4) of the SFDR (**Level 2 SFDR**) published by the three European Supervisory Authorities (EBA, EIOPA and ESMA) will have not yet come into effect. Garraway and the Company will continue to monitor developments relating to the Level 2 SFDR and, once available, will update this document to ensure compliance with Level 2 SFDR.

1 INTEGRATION OF SUSTAINABILITY RISKS POLICY EFFECTIVE 10 MARCH 2021

Sustainability risk means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. Sustainability risks may arise in respect of an issuer itself, its affiliates or in its supply chain and/or apply to a particular economic sector, geographical or political region. Environmental risks, including risks arising from climate change, are associated with events or conditions affecting the natural environment. Social risks may be internal or external to an issuer and are associated with employees, local communities, customers or populations of companies or countries and regions. Governance risks are associated with the quality, effectiveness and process for the oversight of day to day management of companies and issuers.

Sustainability risks are relevant as both standalone risks, and also as cross-cutting risks which manifest through many other risk types which are relevant to the assets of a Fund. For example, the occurrence of a sustainability risk can give rise to financial and business risk, including through a negative impact on the creditworthiness of other businesses.

Unless the relevant supplement for a particular Fund states otherwise, the extent to which sustainability risks represent potential or actual material risks to the Funds is considered by Garraway in its investment decision making and risk monitoring. Along with any other material risk, Garraway will consider sustainability risks in order to seek to achieve the investment objective of each Fund as set out in the relevant Supplement.

Garraway considers environmental, social and governance factors as part of its broader analysis of investments including with regards to sustainability risks assessment. The factors which will be considered by Garraway will vary depending on the security in question, but typically include the themes addressed by the sustainability risks.

In the event that a sustainability risks arises, this may cause Garraway to determine that a particular investment is no longer suitable and to sell it or decide not make an investment in it.

An assessment is undertaken by Garraway of the likely impacts on a Fund's return of the sustainability risks listed in the Prospectus of the Company.

Assessment of sustainability risks is complex and requires subjective judgements, which may be based on data which is difficult to obtain and may be incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that Garraway will correctly assess the impact of sustainability risks on a Fund's investments or proposed investments.

The impacts following the occurrence of a sustainability risk may be numerous and may vary depending on the specific risk, region and asset class. In general, where a sustainability risk occurs in respect of an asset, there could be a negative impact on, or entire loss of, its value.

2 PRINCIPAL ADVERSE IMPACTS STATEMENT EFFECTIVE 10 MARCH 2021

Principal adverse impacts are those impacts of investment decisions and advice that result in negative effects on sustainability factors. Sustainability factors mean environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Details of the Company's policies on the integration of sustainability risks in its investment decision-making process can be found in the Policy above and details of other environmental, social and governance factors and considerations taken into account as part of the investment strategies of the Funds, where applicable, are set out in the Supplement for the relevant Fund.

Taking due account, however, of the nature and scale of the Company's activities and the wide and varied range of financial products it makes available, the Company, in accordance with Article 4.1(b) of the SFDR, has elected for the time being not to consider (in the manner specifically contemplated by Article 4.1(a) of the SFDR) the principal adverse impacts of investment decisions of the Funds on sustainability factors. The Company consider this a pragmatic and economical approach to compliance with the Company's obligations under the SFDR.

The Company, together with Garraway, will keep this under review, particularly if the nature and scale of the Company's activities or financial products it makes available significantly change.

3 REMUNERATION POLICY

As the Company does not currently pay variable remuneration to its Identified Staff (as defined in the Company's remuneration policy), the remuneration policy of the Company does not promote the taking of sustainability risks. The Company's remuneration policy is available on Garraway's website at <https://www.garrawaycm.com/>.