Website Disclaimer:

Policies on integration of sustainability risk into investment decision-making process

& non-compliance with SFDR's principal adverse impacts regime

Integration of sustainability risk into investment decision-making process

Sustainability risks are 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**").

The management of Sustainability Risks forms part of the due diligence process implemented by the Investment Manager or where applicable the sub-investment manager of each Fund.

Due diligence process implemented by the Investment Manager

When assessing the Sustainability Risks 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.

Sustainability Risks are identified, monitored and managed by the Investment Manager in the following manner (with the exception of the Redwood Value Strategies Fund):

(i) Prior to acquiring investments on behalf of a Fund, the Investment Manager uses ESG metrics of one or more third party data providers ("**Data Providers**"), in order to determine the ESG risk of the relevant investment, screen it against the Sustainability Risks and identify whether it is vulnerable to such risk. This process incorporates applying an exclusion policy (whereby potential investments are limited, or in some cases excluded, on the basis that they pose too great a sustainability risk to the Fund) and a limitation of the level of exposure to certain investment sectors that may increase the overall ESG risk of the Relevant Fund.

(ii) During the life of the investment, Sustainability Risks are monitored through review of ESG data published by Data Providers or the issuer (where relevant) to determine whether the level of sustainability risk has changed since the initial assessment has been conducted. Where the Sustainability Risks associated with a particular investment have increased, and consequently increased the aggregate Sustainability Risks for the relevant Fund, the Investment Manager will consider selling or reducing the Fund's exposure to the relevant investment, taking into account the best interests of the Shareholders of the Fund.

Due diligence process implemented by the Sub-Investment Manager

In relation to the Redwood Value Strategies Fund, Sustainability Risks are identified, monitored and managed by the Sub-Investment Manager in the following manner:

The Sub-Investment Manager integrates Sustainability Risks into the investment process where this is possible and appropriate. The Sub-Investment Manager undertakes detailed analysis of each potential investment and Sustainability Risks form part of this analysis, where appropriate. The Sub-Investment Manager does not exclude any securities solely on sustainability grounds. However, Sustainability Risks will be considered and the Sub-Investment Manager will then make a reasoned judgement about whether or not to proceed further with the security as a potential investment. In particular, the Sub-Investment Manager is focused on governance aspects of sustainability and may engage with its investee companies to improve overall governance.

The remuneration policy of the Investment Manager has been reviewed to ensure that it is aligned with managing sustainability risks and does not encourage excessive risk-taking with respect to sustainability risks.

Non-compliance with the PAI regime in SFDR

Diamond Capital Funds Plc (the "**Firm**") has carefully evaluated the requirements of the principal adverse impacts ("**PAI**") regime in Article 4 of the EU Regulation on sustainability-related disclosures in the financial services sector ("**SFDR**"), and in the finalised draft Regulatory Technical Standards on ESG Disclosures (the "**Finalised Draft RTS**") (collectively, the "**PAI Regime**").

The Firm is supportive of the policy aims of the PAI Regime, to improve transparency to clients, investors and the market, as to how financial market participants integrate consideration of the adverse impacts of their investment decisions on sustainability factors.

However, the Finalised Draft RTS which set forth the scope of "principal adverse impacts" and the corresponding mandatory reporting template have not yet been adopted by the European Commission, therefore the scope of data required on investments in order to comply with many of the technical reporting requirements of the PAI Regime is currently not final.

In light of the above, the Firm considered not to comply with the PAI Regime until the Finalised Draft RTS will be published.

The Firm will keep its decision not to comply with the PAI Regime under regular review, and will formally re-evaluate the decision at least annually.