

Devon Equity Management Limited (FRN: 841960)

No consideration of adverse impacts of investment decisions on sustainability factors

January 1st, 2023

Background

Following the adoption of the EU Sustainable Finance Disclosure Regulation (“SFDR”), firms are required to make a series of sustainability-related disclosures at both a manager and product-level. SFDR applies to ‘financial market participants’ which includes MiFID firms providing the service of portfolio management, AIFMs and UCITS Managers; thus, Devon has made the following disclosures.

Manager-Level Disclosure

As per Article 4(1), SFDR Regulation (EU) 2019/2088, Devon is required to disclose whether or not they will consider the **principal adverse impacts*** of investment decision making on **sustainability factors***.

Devon has taken the decision to state that:

“The firm does not consider adverse impacts of investment decisions on sustainability factors as the primary objective of its investment strategies.

“While the investment strategies offered by Devon consider ESG factors, such as strong corporate governance, to be an important part of the investment process, Devon’s investment strategies do not explicitly target ESG or sustainability objectives.

Devon’s investment process looks for companies with distinctive characteristics that are expected to yield substantial benefits to shareholders over the long term.

Devon will revisit its decision not to comply with the PAI regime on at least a yearly basis and reserves the right to change its position in the future.”

Please refer to Devon’s Sustainability Risk Policy for further information.

Terms as defines by the SFDR Regulation

***Principal Adverse Impacts:** The negative impact that investment advice or investment decisions can have on sustainability factors.

***Sustainability Factors:** The consideration of sustainability factors in the investment decision-making and advisory processes can realise benefits beyond financial markets. It can increase the resilience of the real economy and the stability of the financial system. These factors include environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.