ESG & Sustainability Risks Policy

Altana Wealth acknowledges and welcomes the growing focus on, and interest in, sustainable and responsible investment. This document sets out the policies of Altana Wealth Ltd ("**Altana Wealth**") on the integration of sustainability in its investment decision-making process.

1. **Introduction and Application to Altana Wealth**
   - The EU Sustainable Finance Disclosure Regulation ("**SFDR**") requires an in-scope firm to formalise how sustainability is integrated into its business and processes, and to make new public and investor-facing disclosures on sustainability matters. As the SFDR applies directly in respect of several of the funds managed by Altana Wealth, Altana Wealth has chosen to comply voluntarily with certain requirements of the SFDR in respect of all of its activities.

   - Accordingly, this policy applies in respect of all investment management activities carried on by Altana Wealth and, therefore, in respect of all investment funds managed directly or indirectly by Altana Wealth (each a "**Fund**" and, together, the "**Funds**"). It also applies in respect of the activities of its sub-investment manager, Altana Wealth SARL.

   - Altana Wealth recognises that the world faces growing environmental, social, and governance-related risks. As Altana Wealth has a fundamental, research-intensive stock-picking approach to investing, its research process naturally leads it to seek to identify well-governed companies.

   - However, sustainability factors will not necessarily be the determining factor for an investment. Altana Wealth may permit a Fund to hold investments that have negative sustainability factors.

   - Altana Wealth became a signatory to the UN Principles for Responsible Investment (UNPRI) in April 2021.

2. **Purpose of this policy**
   - Under SFDR, "**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 an investment. This policy therefore approaches sustainability risk from the perspective of the risk that ESG events might cause a material negative impact on the value of a Fund's investments.

- This policy establishes Altana Wealth's framework to identify, monitor and manage ESG risks for its investors.

- For the purposes of SFDR, sustainability risk is <u>not</u> concerned with the adverse impacts of Altana Wealth's investment decisions on sustainability factors. This is covered by a separate regime under SFDR, which is addressed in section 7 below.

3. **Governance and senior management responsibility**

- Altana Wealth's Management Committee is ultimately responsible for the firm's policies and procedures in respect of sustainability risks.

- Altana Wealth's Management Committee has approved this policy and the related procedures, including the Firm's sustainability risk appetite, and the Firm's integration of sustainability risks into investment decision making.

4. **Sustainability risk management**

- Altana Wealth endeavours to identify material problems with investee companies at an early stage to minimize any loss to investors. To the extent possible and appropriate, it may attempt to make the appropriate members of the investee company's board aware of them (either directly, or indirectly via the relevant company's investor relations department). Such concerns may include, among other things, corporate governance issues and climate change issues where Altana Wealth believes they have an impact on shareholder value. Alternatively, Altana Wealth may simply sell the relevant position to minimise any loss.

5. **Relevant sustainability risks**

- As noted above, Altana Wealth endeavours to identify each key environmental, social and governance risk which could, if it occurs, cause an actual or a potential material negative impact on the value of an investment. These are summarised in this section 5.

- **Environmental** sustainability risks for the value of the Funds' portfolios: climate change; carbon emissions; energy inefficiency.

- **Social** sustainability risks for the value of our clients' portfolios: data privacy; consumer protection.

- **Governance** sustainability risks for the value of our clients' portfolios: inadequate external or internal audit; quality of earnings; infringement or curtailment of rights of (minority) shareholders; bribery and corruption; cybersecurity; lawfulness.

6. **Disclosure of this policy**

- SFDR requires that an in-scope firm must publish on its website information about this policy. Altana Wealth satisfies this requirement by disclosing a copy of this policy on its website under sustainability related disclosures.

- SFDR also requires that an in-scope firm must include, in the pre-contractual disclosures for the financial products that it manages, a description of the manner in which sustainability risks are integrated into its investment decisions. Altana Wealth satisfies this requirement by disclosing a separate summary of this policy in pre-contractual disclosures.

- For these purposes, "pre-contractual disclosures" means the prospectus or offering document for a fund, and the investment management agreement or other terms and conditions for a portfolio management service.

7. **Consideration of adverse impacts**

- The SFDR requires an in-scope firm to make a "comply or explain" decision as to whether it considers the "principal adverse impacts" ("PAIs") of its investment decisions on sustainability factors, in accordance with a specific regime set out in the SFDR. While Altana Wealth is otherwise voluntarily complying with certain aspects of SFDR, **Altana Wealth** has opted not to comply with that regime and **does not consider the principal adverse impacts of its investment decisions on sustainability factors in the manner prescribed by the PAI regime in Article 4 of SFDR.**

- Altana Wealth has carefully evaluated the requirements of the PAI Regime in Article 4 of SFDR. Altana Wealth is supportive of the policy aims of the PAI Regime, namely to improve transparency to clients, investors and the market as to how financial market participants integrate consideration of the adverse impacts of investment decisions on sustainability factors. However, Altana Wealth does not currently do so because it would be unable to gather and/or measure all of the data on which it would be obliged by the SFDR to report, or could not do so systematically, consistently, and at a reasonable cost to investors. This is in part because underlying companies or issuers are not widely obliged to, and overwhelmingly do not currently, report by reference to the same data.

- Altana Wealth will keep its decision not to comply with the PAI Regime under regular review, by reference to market developments.

- To meet the SFDR disclosure requirements, ALTANA WEALTH Sàrl identifies, assesses and, where possible and appropriate, seeks to manage sustainability risks for the Partnerships under its management, as part of its risk management process. ALTANA WEALTH Sàrl believes that the integration of this risk analysis could help to enhance the long-term value of the portfolio for Investors, in accordance with the investment objective and Investment Policy of the Partnerships. However, due to the nature of the investment objective, sustainability risks are not integrated in the investment decisions.

- For the avoidance of doubt, the Partnerships are not promoting environmental or social characteristics within the meaning of article 8 of SFDR nor have sustainable investment as objective within the meaning of article 9 of SFDR. For the purposes of Article 6 of the EU Taxonomy Regulation, ALTANA WEALTH Sàrl confirms that the investments underlying this financial product (i.e. the Partnerships) do not take into account the EU criteria for environmentally sustainable economic activities.

- As regards disclosures obligations under article 4(1) of SFDR it is confirmed that ALTANA WEALTH Sàrl does not take into account the negative impacts due to investments - Article 4 (1) (b)."

8. Integration of sustainability risks in Remuneration Policy

- In summary, Altana Wealth's objective is to ensure that its remuneration policy and practices are consistent with, and promote, sound and effective risk management (including sustainability risks, where applicable). The decision to award any variable remuneration to an employee, and the percentage of profits allocated to a partner, are based on an individual's performance and contribution to the business, in relation to which financial and non-financial criteria are considered such as compliance with risk management and compliance policies (including Altana Wealth's ESG and Sustainability Risks Policy, where applicable).