

SUSTAINABLE INVESTMENT POLICY

1. Framework

Pursuant to EU 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, which is also known as the “Sustainable Finance Disclosure Regulation” (the “**SFDR**”), the Company is required to disclose the manner in which sustainability risks (as defined below) are integrated into the investment decision-making process and the results of the assessment of the likely impacts of sustainability risks on the returns of each Sub-Fund.

“Sustainability risks” means an environmental, social or governance (“**ESG**”) event or condition that, if it occurs, could have an actual or a potential material negative impact on the value of the investments made by the Company. Sustainability risks can either represent a risk of their own or have an impact on other risks and may contribute significantly to risks, such as market risks, operational risks, liquidity risks or counterparty risks.

“Sustainability factors” address environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters. Environmental factors may include, but are not limited to, the impact of emissions, energy efficiency, the exploitation of natural resources or waste treatment. Social factors may include human rights, treatment of workers and workers’ rights or diversity issues. Governance factors may include shareholder rights, remuneration of senior management, conflicts of interest or board independence.

In 2020, the SFDR has been amended by Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (“**Taxonomy Regulation**”).

In 2022, Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 has supplemented Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards, specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports.

In particular, Principal Adverse Impacts (“**PAI**”) should be disclosed in the following, independently applicable, ways:

- Disclosure on an entity level (Article 4 of SFDR), by publishing an annual PAI statement on the website, this requirement applies to both financial market participants and financial advisers; and
- Disclosure on a product level (Article 7 of SFDR), by publishing PAI information in pre-contractual financial product documentation, such as fund information memoranda or prospectuses, this requirement applies to financial market participants only.

2. Implementation

2.1. Environmental, social and governance (E,S,G) characteristics

The Company does not promote, among other characteristics, environmental or social characteristics, or a combination of these characteristics according to Article 8 of SFDR and does not have sustainable investment as its objective according to Article 9 of SFDR.

Nevertheless, the Company considers environmental, social and governance (E,S,G) characteristics in its analysis and investment process. Also, direct investments need to comply with minimum ethical standards. In particular, any investments belonging to the list of excluded securities are forbidden. The list of excluded securities is based on the PAX FOR PEACE list (<https://paxforpeace.nl/what-we->

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[do/publications/worldwide-investment-in-cluster-munitions-2018](https://publications/worldwide-investment-in-cluster-munitions-2018)). It is reviewed and updated on an annual basis. The list from the "liste d'exclusion du Fonds de Compensation Luxembourg (FDC)" (<https://fdc.public.lu/fr/actualites/2021/liste-exclusion-fdc.html>) is also considered but without any impact at this stage in terms of restrictions regarding the investment decision process.

2.2. Sustainability Risks

The Company integrates in its investment process the identification, measurement, and management of sustainability risks.

- The sustainability risks of each contemplated security are identified with Refinitiv based on the following E,S,G factors:
 - Environmental:
 - Emissions
 - Emissions
 - Waste
 - Biodiversity
 - Environmental management systems
 - Innovation
 - Product innovation
 - Green revenues, research and development (R&D) and capital expenditures (CapEx)
 - Resource use
 - Water
 - Energy
 - Sustainable packaging
 - Environmental supply chain
 - Social
 - Community
 - Equally important to all industry groups, hence a median weight of five is assigned to all
 - Human rights
 - Product responsibility
 - Responsible marketing
 - Product quality
 - Data privacy
 - Workforce
 - Diversity and inclusion
 - Career development and training
 - Working conditions
 - Health and safety
 - Governance
 - CSR Strategy
 - CSR strategy
 - ESG reporting
 - Management
 - Structure (independence, diversity, committees)
 - Compensation
 - Shareholders
 - Shareholder rights
 - Takeover defenses
- A sustainability risk scoring is then assigned to each contemplated security

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- On an ongoing basis, the global sustainability risk scoring, being the weighted average of the individual sustainability risk scoring of each security within the portfolio will be calculated and monitored.

For the purposes of Article 6 of SFDR, sustainability risks are not currently relevant to the investment decisions being made in respect of each Sub-Fund, because based on its investment strategy there are no investment limits with regards to sustainability.

In particular, the investments underlying the Kameleon Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities.

2.3. Principal adverse impacts

The Company is currently not in a position to consider the principal adverse impacts of its investment decisions on sustainability factors, as the investment policy of the sole Sub-Fund it manages does not promote any environmental or social characteristics. Therefore, the Sub-Fund's underlying investments do not actively take into account the EU criteria for environmentally sustainable economic activities, as provided by Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment.