Summary of Sustainable Risk Policy

This document sets out a summary of the Sustainable Risk Policy (the "Policy") of The Asset Management Exchange (Ireland) Limited ("**AMXI"**) on integration of sustainable risks into our business and processes relating to the Alternative Investment Funds ("**AIFs"**) and Undertakings for the Collective Investment in Transferable Securities **("UCITS"**) managed by AMXI.

Introduction

AMXI is authorised by the Central Bank of Ireland (the "**Central Bank**") as a management company to manage AIFs and UCITS.

The EU Sustainable Finance Disclosure Regulation ("**SFDR**") requires AMXI to formalise how sustainability risks (as defined below) are integrated into our business and processes relating to the AIFs and UCITS (the "**Funds**") managed by AMXI that are in scope, generally categorised as Article 8[1] or 9[2]. The SFDR also requires AMXI to make public and client-facing disclosures on certain sustainability matters.

AMXI intends to ensure a clear definition of relevant factors and controls relating to sustainability risks, noting that the majority of the decision-making processes are performed by delegated third-party portfolio managers. However, there are times where AMXI is directly responsible for the categorisation of Funds as set out in more detail below.

Purpose of the Policy

Under the SFDR, "**sustainability risk**" is defined as 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.

The Policy therefore approaches sustainability risk from the perspective that ESG events might cause a material negative impact on the value of Funds managed by AMXI.

AMXI recognises that the world is increasingly experiencing environmental, social, and governance-related risks; and acknowledges the impact sustainability risks can impose on the Funds. AMXI considers the approach to integrating sustainability risks as strengthening its fiduciary duties towards the investors of the Fund. Hence, the Policy establishes our framework to ensure delegated third-party portfolio managers, and AMXI where appropriate, identify, measure, manage and monitor sustainability risks.

Sustainable Risk Management

AMXI generally delegates the portfolio management function of a given Fund to a third-party portfolio manager. However, in some instances, the function is discharged directly by AMXI with assistance from the portfolio manager (in particular where the portfolio manager is not directly required to adhere to SFDR because they are based outside of the EU).

Where a third-party portfolio manager is responsible for the investment decision process, AMXI will seek to monitor the quality of service of the third-party portfolio manager on an ongoing basis as part of its delegation oversight duties. AMXI will monitor risks based on information known at the time of assessment. Where a portfolio manager considers sustainability risks to be relevant within the investment decision making process (and the fund is categorised as Article 8 or 9), AMXI will require the portfolio manager to integrate sustainability risks as deemed relevant into the investment process

[1] Article 8 funds specifically promote environmental and/or social characteristics, provided the companies in which investment are made follow good governance practices
[2] Article 9 funds have sustainable investment as their objective

Where AMXI is responsible for directly integrating sustainability risks on behalf of a portfolio manager, the investment strategy implemented by the relevant portfolio manager is assessed against regulatory and legal requirements and the description set out in the Fund's prospectus and/or supplement.

A portfolio manager of an Article 8 or 9 fund should consider the following as part of their risk management process:

Identify

- The portfolio manager has separately reviewed the sustainability risks which are potentially likely to cause a material negative impact on the value of its investments, should those risks occur

Measure

- The portfolio manager considers measuring sustainability risk

Management

- The portfolio manager considers ways to manage sustainability risk

Monitoring

- The portfolio manager's risk management team, or similar, are encouraged to conduct periodic monitoring of the Funds and are encouraged to engage in active ownership, with a view to reducing the risk rating of particular positions.

In certain circumstances a fund will be index tracking and the decisions of the portfolio manager on whether to take exposure to a particular security will primarily be driven by the constituents of the index and constraints on investment decisions based on the index construction and rules set out by the governing documents. AMXI will (to the extent possible) analyse the Index to ensure it is constructed to meet the relevant requirements and that sustainability risks are integrated into the index construction.

Principal Adverse Impacts

The external harm of investments made by portfolio managers is covered by a separate regime under SFDR, which considers the principal adverse impacts (PAI) of a portfolio managers' investment decisions on sustainability factors. Portfolio managers can either (i) confirm compliance with the principal adverse impacts rules under Article 4 SFDR, indicating they have separately implemented a due diligence policy on PAI; or (ii) elect not to implement the PAI arrangements under Article 4 SFDR, including an explanation of the reasons and whether they will be considered in the future.