



SUSTAINABILITY RISK POLICY

Alter Domus Management Company (Ireland) DAC



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DOCUMENT VERSION CONTROL

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Resolution of the Board of Directors

The members of the Board of Directors of Alter Domus Management Company (Ireland) DAC (the "Company"), by unanimous consent, agree on the content of this Sustainability Risk Policy and confirm its enforcement as of the date of signature.

With their signature, the members of the Board of Directors impose on the Company all the obligations and requirements that this policy mentions. These obligations and requirements are the result of the legal and regulatory obligations that apply to the Company. The latter are mentioned in introduction of each policy, charter and procedure.

This approval is followed by the obligation to communicate this document to all staff members of the Company and concerned parties.

Finally, the policies, charters and procedures are the property of the Company and their communication outside the rules they include is subject to the approval of all members of the Board of Directors.

Date:

Approved by: M. Conor Molloy Director

Approved by: M. Antonis Anastasiou Director

Approved by: M. James McEvoy Director

1 SUSTAINABILITY RISK POLICY

The Sustainability Risk policy of Alter Domus Management Company (Ireland) DAC (hereafter ADMCI) describes how sustainability risks are considered in the investment decision-making process as per the responsibility of ADMCI as a third party AIFM company. For ADMCI, sustainability risks refer to the definition as presented into the SFDR (sustainability-related disclosures in the financial services sector) to the set of environmental, social and governance events or conditions that, if it occurs could cause an actual or potential material negative impact on the value of the investment.

The sustainability policy is regularly reviewed and updated. The current version of the sustainability policy can be found on the website <https://www.alterdomus.com/services/aifm-manco>

2 OUR STRATEGY AND PRINCIPLES:

ADMCI regards Sustainability risks as having a potential impact on the investment products. For this purpose, ADMCI is reviewing and assessing potential emerging sustainability risks identify as such by the portfolio managers during the investment decision-making process and within the meaning of SFDR (sustainability-related disclosures in the financial services sector). The Sustainability Risk Policy applies to ADMCI in its Management Company function. The identification and the assessment of the Sustainability risks and their potential impact on the financial products are done considering the investment strategy as well as the type of product and the investment universe targeted (e.g, type of investments, sectors, countries,). The risks identified are linked to ESG factors and can be, among others:

- Climate risk (transition or physical risk)
- Governance risk
- Controversy risk
- Regulatory risk
- ...

The objective of ADMCI is to be able to identify directly or by delegation, the relevant Sustainability risks that could impact the investment products and to monitor them actively. ADMCI recognized the importance of an active sustainability risk management as per recommended by the EU Commission through the SFDR for ensuring a long-term economic stability.

The below paragraph describes the monitoring and reporting process implemented by ADMCI in the context of the Sustainability Risk.

3 MONITORING AND REPORTING OF ESG RISKS:

3.1 INVESTMENT MANAGEMENT NON-DELEGATION MODEL:

During the ex-ante risk assessment process, the ADMCI is requesting the investment advisor to perform the related analysis in order to identify and to measure the likely impact of the risk on the investment product. ADMCI will collect the related information from the investment advisor and if those risks are relevant, the risk management team of the AIFM will also perform an exposure assessment [(ex-post)] review of those risks as part of the discharge of its duties.

The objective would be to identify the materiality of those risks and the potential impact on the financial returns. If the risk is identified as relevant and the likely impact on the financial return of the product material, the pre-contractual documents would be updated accordingly.

The sustainability risk identification and assessment will be performed on a periodic basis, by requesting information to the investment advisor during the due diligence process and by performing the stress-testing during the ex-post analysis. Through this ADMCI aims to identify a change in the relevance of the risk affecting the company's return. If a relevant risk appears as becoming material, ADMCI will request to adapt the portfolio composition for ensuring the correct mitigation.

3.2 INVESTMENT MANAGEMENT DELEGATION MODEL:

For the investment products for which the portfolio management is delegated to a Portfolio Manager, ADMCI is requesting the Portfolio Manager to define a dedicated sustainability risk management approach. ADMCI will control on a periodic basis, during its due diligence process as defined in its oversight Framework, the correct application of the sustainability risk management approach and will perform the ex-post analysis, classifying the investment products by typology of Sustainability risk and performing the related stress testing.

4 CONSIDERATION OF THE ARTICLE 6 INTO THE PPM

According to the article 6 of the SFDR, the PPM have been updated to reflect the AIFM, the investment advisor or the portfolio manager consideration of the investment decision making process. The PPM highlights, if relevant, the sustainability risk and the potential likely impact on investment product.

For products that are no longer marketed and with no active PPM, the information related to the article 6 to be considered is the following:

The AIFM reviews and assesses potential sustainability risks within the meaning of SFDR as part of its decision-making processes with respect to the Investments made and/or to be made by the PM and will integrate such review within its internal procedures and policies. Such review will be performed by the risk management team of the AIFM and the RMP is currently under review, Thereafter, during the ex-ante risk assessment process the risk will be considered and the relevant impact on the investment assessed. If those risks are relevant, the risk management team also performs a regular [(ex-post)] review of those risks as part of the discharge of its duties.

As part of a first review performed, the Investments made are not likely to be affected by sustainability risks and that if any such sustainability risk arises, it is not likely to have a more materially adverse effect on the Company's returns than any other normal market or external risk. Investors should note that it is very difficult to assess with any reasonable certainty whether there exists, or the likely outcome of, any sustainability risk on the Investments and/or the risk of occurrence of any such risk. The sustainability risk exposure assessment of the financial product will be performed on a periodic basis to ensure that the AIFM is able to identify a risk becoming relevant and affect the company's return. Based on this assessment, if a sustainability risk is identified as being relevant and having an impact on the financial return, the present prospectus will be adapted accordingly".

5 ADVERSE SUSTAINABILITY IMPACTS:

The consideration of the Principal Adverse Impact of the investment decision on the Sustainability Factors (as defined in Article 4 (1) of the Disclosure Regulation EU 2019/2088) is the responsibility of the financial participant in charge of the portfolio management. Therefore, there could be two scenarios for Alter Domus.

- ADMCI delegates the management of the portfolio to the Portfolio Manager. As per this delegation, the Portfolio Manager has the responsibility for collecting the related Principal Adverse Impact of the investment decision on the Sustainability Factors based on its level of consideration and to provide the related information to ADMCI
- ADMCI does not delegate the management of the portfolio, For the purpose of Article 7 (2) of Sustainable Finance Disclosure Regulation (EU) 2019/2088, adverse impacts of investment decisions on sustainability factors are not considered at the present time (given the company size). Nevertheless, the AIFM intends to monitor the industry position closely and update its approach in due course as the position evolves and further regulatory guidance is made available.