ALPHA PATRIMOINE
(also refered hereafter as "the Company")

SUSTAINABILITY POLICY

1. Regulatory Background

The present document has been drawn up following the entry into force of

- 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 (hereinafter referred to as "SFDR").
- Commission Delegated Regulation (EU) 2021/1253 of 21 April 2021 amending Delegated Regulation (EU) 2017/565 as regards the integration of sustainability factors, risks and preferences into certain organisational requirements and operating conditions for investment firms
- Commission Delegated Regulation (EU) 2021/1269 of 21 April 2021 amending Delegated Directive (EU) 2017/593 as regards the integration of sustainability factors into the product governance obligations

2. Scope

This Sustainability Policy describes Alpha Patrimoine 's approach of integrating and monitoring sustainability risks arising during the investment decision making process relating to the discretionary management mandates or investment funds where it acts investment manager and that are in scope of SFDR.
Sustainability risk in the SFDR (article 2 (22)) 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 the investment arising from an adverse sustainability impact."*
Under SFDR, Alpha Patrimoine reminds that it is not under any obligation to nor does it currently promote environmental or social characteristics or have sustainable investment as an investment objective.

❖ Alpha Patrimoine's main activity is **discretionary portfolio management**. Accordingly, the Company distributes different investment strategies that are invested into several types of assets, i.e. :
  - Investments Funds
  - Direct Lines (Equities, Bonds, Structured Products)

These investment strategies are the following :

- "MULTI-SUPPORT" (only invested into investment funds)
- "OBLIGATAIRES" (mainly invested into direct lines (bonds))
- "PRODUITS STRUCTURES" (only invested into direct lines (structured products))
- "ANALYSE ET STRATEGIES" (only invested into investment funds)

❖ Alpha Patrimoine also acts as Investment Manager of the "Alpha Patrimoine Flagship Fund SICAV-SIF", while it may act as delegated investment manager of **investment funds**.

The investment funds for which Alpha Patrimoin acts as (Delegated) Investment Manager can be invested into several types of assets, i.e. :

- Direct Lines (Equities, Bonds)
- Investments Funds

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3. Integration of sustainability risks into the investment decision process

3.1 Portfolios under discretionary management

✓ Portfolios invested into direct lines

Alpha Patrimoine has decided not to consider sustainability risk in investment decisions. Hence, in response to Article 6 of SFDR, discretionary mandates invested in direct lines and distributed by Alpha Patrimoine do not integrate sustainability risks and do consideration an ESG integration.
Such decision is based on the following reasons :

- investment strategies are usually bespoke and have been designed to accommodate investor requirements
- financial criteria are almost the only criteria taken into account as far as investment decisions are concerned
- Alpha Patrimoine estimates that tools currently at its disposal are indequate to provide relevant data, in sufficient quality, to satisfy the requirement associated with reporting on the "Principle Adverse sustainability Impacts".

Alpha Patrimoine has determined that the companies into which Alpha Patrimoine's discretionary portfolio and funds invests are not in a position to provide relevant data, in sufficient quality, to satisfy the requirement associated with reporting on the "Principle Adverse sustainability Impacts". We intend to continue monitoring this issue in the context of our ongoing ESG assessments and revise our position when the availability of relevant data increases.
Alpha Patrimoine will re-assess the potential integration of sustainability risks in investment decisions on an ongoing basis, and will revise its position when :

- availability of relevant data increases
- specific demand will be made by from its clients (see point 7 hereafter)

✓ Portfolios invested into funds

Alpha Patrimoine has decided not to consider sustainability risk in investment. Hence, in response to Article 6 of SFDR, discretionary mandates invested into funds and distributed by Alpha Patrimoine do not integrate sustainability risks and do consideration an ESG integration.
Such decision is based on the following reasons :

- investment strategies are usually bespoke and have been designed to accommodate investor requirements
- financial criteria are almost the only criteria taken into account as far as investment decisions are concerned
- Alpha Patrimoine estimates that tools currently at its disposal are indequate to provide relevant data, in sufficient quality, to satisfy the requirement associated with reporting on the "Principle Adverse sustainability Impacts".

3.2 Investment funds' portfolios managed by Alpha Patrimoine

Under SFDR, Apha Patrimoine SA (hereinafter referred to as "the Manager") is not under any obligation to nor does it currently promote environmental or social characteristics or have sustainable investment as an investment objective. As a result, the investment fund's managed by Alpha Patrimoine SA are considered to be non-ESG funds. Further, the Manager has determined that sustainability risk (which 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 the relevant investment (an "ESG Event")) is not relevant for the Sub-Funds due to the profile of the underlying investments of the Sub-Funds and their broad diversification.

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Under SFDR, Alpha Patrimoine reminds that it is not under any obligation to nor does it currently promote environmental or social characteristics or have sustainable investment as an investment objective. As a result, the funds managed by Alpha Patrimoine are considered to be non-ESG funds.
Alpha Patrimoine has determined that that sustainability riskis not relevant for the Sub-Funds due to the profile of the underlying investments of the Sub-Funds and their broad diversification.

✓ **Investment into direct lines**

Alpha Patrimoine has decided not to consider sustainability risk in investment decisions. Hence, in response to Article 6 of SFDR, discretionary mandates invested in direct lines and distributed by Alpha Patrimoine do not integrate sustainability risks and do consideration an ESG integration.
Such decision is based on the following reasons :

- financial criteria are almost the only criteria taken into account as far as investment decisions are concerned
- Alpha Patrimoine estimates that tools currently at its disposal are indequate to provide relevant data, in sufficient quality, to satisfy the requirement associated with reporting on the "Principle Adverse sustainability Impacts".

✓ **Investment into funds**

Alpha Patrimoine has decided not to consider sustainability risk in investment decisions. Hence, in response to Article 6 of SFDR, discretionary mandates invested in direct lines and distributed by Alpha Patrimoine do not integrate sustainability risks and do consideration an ESG integration.
Such decision is based on the following reasons :

- financial criteria are almost the only criteria taken into account as far as investment decisions are concerned
- Alpha Patrimoine estimates that tools currently at its disposal are indequate to provide relevant data, in sufficient quality, to satisfy the requirement associated with reporting on the "Principle Adverse sustainability Impacts".

4. Principle Adverse Impact Reporting

- Alpha Patrimoine has determined that the companies into which Alpha Patrimoine's discretionary portfolio and funds invests are not in a position to provide relevant data, in sufficient quality, to satisfy the requirement associated with reporting on the "Principle Adverse sustainability Impacts". We intend to continue monitoring this issue in the context of our ongoing ESG assessments and revise our position when the availability of relevant data increases.
- Alpha Patrimoine does not currently consider the principal adverse impacts of its investment decisions on sustainability factors.
- The Manager has opted against doing so, primarily as the regulatory technical standards supplementing SFDR which will set out the content, methodology and information required in the principal adverse sustainability impact ("PASI") statement remain in draft form and have been delayed.

5. Proxy Voting

Alpha Patrimoine believes stewardship (or active ownership) helps to realise long-term shareholder value by providing investors with an opportunity to enhance the value of companies more consistent with long term investor timeframes.

Alpha Patrimoine maintains its own Proxy Voting Policy as required by the relevant regulations. The Proxy Voting Policy sets out the measures and procedures adopted when exercising its right to vote on relevant securities relating to the Products under management.

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Alpha Patrimoine has engaged a proxy voting approach aiming to improve the environmental profiles of the portfolios over time. Alpha Patrimoine also maintains a Shareholder Engagement Policy as required under the European Union (Shareholders' Rights) Regulations 2020.

6. Remuneration Arrangements

Alpha Patrimoine SA maintains a Remuneration Policy in line with Luxembourg Law and any other applicable regulation. An underlying principle of the Remuneration Policy (the "Policy") is to promote sound and effective risk management that does not encourage excessive risk-taking with respect to the investment decision making process, this will include sustainability risk considerations. The Remuneration Policy already aims to ensure that the remuneration pay-outs are appropriate and that the risk profile, long term objectives and goals of the firm and interests of the investors are adequately reflected in them. Performance-based remuneration for staff is awarded in a manner which promotes sound risk management and does not encourage excessive risk-taking. As such Alpha Patrimoine is satisfied it's existing remuneration arrangements adopted under the Remuneration Policy are consistent with the Integration of ESG/sustainability risk considerations, where these are relevant.

7. Suitability assessment for portfolio management services *(only applicable for Discretionary Portfolio Management services)*

In line with Commission Delegated Regulation (EU) 2021/1253 (effective from 22 August 2022), Alpha Patrimoine has to conduct an assessment of suitability to include how it meets any sustainability preference of its clients, while it has to include sustainability preferences in reports on suitability of product provided to clients.
Accordingly, Alpha Patrimoine will take necessary steps to obtain information from its clients about their sustainability preferences so that, when providing portfolio management services, Alpha Patrimoine will have a reasonable basis for concluding that investments recommended or made comply with those preferences.
Moreover, Alpha Patrimoine will annually assess whether the portfolios under management remain consistent with the sustainability preferences defined by its clients.

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