

SIBILLA

CAPITAL

Sustainability Risk Management

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1 General Overview

1.1 Investment Practice

We believe that ESG issues can have a material effect on the company's long-term fundamentals, both in terms of opportunity and risk. We consider ESG factors when making investment decisions across all asset classes and strategies using scoring methodologies developed by third-party ESG research and data providers, as mentioned above.

The relevant acceptable ESG parameters are defined for each product individually depending on the regulatory framework, client need or requests.

In direct investments in equities and corporate bond securities we apply the company's main principle for sustainability:

- > Exclusion Lists
- > Minimum Rating

As an asset manager with expertise in both discretionary and quantitative strategies, the portfolios we manage tend to be very diversified. Where we invest in smaller capitalization stocks and have access to the management team, we engage with them and discuss their ESG roadmap. Where no rating is available from any provider, we make our own qualitative assessment based on relative standing to peers. In cases where it is outright impossible or impractical to conduct our own analysis of environmental, social and governance factors, we apply a negative screening standard relying on exclusion lists as described in section 1.2.

To the greatest possible extent, our sustainability principle of exclusion is considered when investing in certain types of assets and instruments, such as commodities, indices, or derivatives. For example, when investing in derivative instruments linked to an index, companies on an exclusion list may be invested in indirectly via that selected ETF or index derivatives. While we aim to select products that meet our exclusion criteria, in many cases, it is impractical or impossible to look-through the instrument such as an ETF or Index and be satisfied that the minimum parameters have been fulfilled.

The responsibility and the competence for assessing, monitoring, and reporting such risks shall be clearly defined and assigned to one or more members of Sibilla Capital Management LLC Executive Management.

1.2 Exclusions

1.2.1 Exclusion Lists

Within its investment universe, Sibilla Capital Management LLC takes into account International Financial Corporation (IFC) Exclusion List (<http://www.ifc.org/exclusionlist>), which excludes 8 types of businesses, such as production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans.

The exclusion list is reviewed at least annually.

1.2.2 Minimum ESG Scores

In addition to the exclusions list(s), we consider the ESG score or rank of the companies under analysis and assess the score/rank relative within the industry and sector. In addition, we consider the company's efforts to improve. We

limit the exposure to companies that are rated as Sever and Highs Sustainalytics ESG rating methodology Typically, we exclude all companies which would qualify as high or severe ESG risk in the Sustainalytics risk rating methodology.

1.3 Product Disclosures

Each investment product will have its own set of ESG parameters and level of limits which will be communicated in the relevant fund documentation or on request. The limits and the ESG parameters are reviewed on an annual basis.

2 Sustainability Risk Management

2.1 Sustainability Risk Management Process

Risk management is a dynamic process constantly reflecting the changing market conditions. The risk management process covers all activities for a systematic management of risks. The risk management process at Sibilla Capital Management LLC enables efficient identification of risks and provides a framework for risk mitigation. It consists of the following five steps:

1. **Situation Analysis:** The first step considers the company goals and strategy, risk tolerance, and evaluation of internal and external factors that may pose risks to the company.
2. **Risk Identification:** The purpose is to identify significant ESG risks that may adversely affect the achievements of investment objectives. For this we review the ESG ratings and exclusion lists of reputable third parties as mentioned in 1.2.
3. **Risk Analysis / Measurement:** The purpose is to provide for each and every product which is managed by Sibilla Capital Management LLC an exclusion list of securities based on the quantitative and/or qualitative measurement of identified risks provided in step 1. Each product might have different levels of risk acceptance levels and the lists are compiled for each and every product individually.
4. **Risk Management / Mitigation:** The purpose is to implement portfolios for each and every product which takes only long exposure in companies or securities which are not defined on its corresponding exclusion list.
5. **Risk Controlling:** The purpose is to monitor the development of the sustainability key risks and monitor portfolio adherence to the exclusion criteria. In addition, it shall periodically report non-compliance with limits and measures to remedy the reported issues. In addition, if there are material changes in the identified sustainability risk items the management can adjust the exclusion lists also within the year. Generally, the risk identification process is reviewed on an annual basis.

2.2 Risk Management Framework

The Executive Management will review and amend (if necessary) on an annual basis the following:

- > Exclusion lists and ESG rating