# Sustainability (Risk) Policy
# of Structured Invest S.A.

November 2024

Structured Invest S.A.
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# Contents

## 1. Legal framework

Structured Invest S.A. (hereafter "**SI**") is a management company established under Luxembourg law and a 100% subsidiary of UniCredit International Bank (Luxembourg) S.A., Luxembourg, who is a 100% subsidiary of UniCredit Bank S.p.A., Italy. SI is authorized under chapter 15 of the law of 17 December 2010 relating to undertakings for collective investment as amended ("Law of 2010"), and is furthermore authorized as alternative investment fund manager pursuant to chapter 2 of the law of 12 July 2013 relating to alternative investment fund managers as amended ("AIFM Law").

## 2. Scope & aim

This document (hereafter "**Policy**") generally describes SI's handling and monitoring of sustainability risks which may arise during the investment decision process.

Within this Policy SI
i) sets the framework for sustainability factors considered in the investment decision process
ii) describes the approach taken to manage and monitor sustainability risks which may influence the funds managed

SI is aware of the impacts sustainability risks can impose on the funds managed and therefore considers the integrated approach outlined in this policy as strengthening its fiduciary duties towards the investors of the funds managed by SI.

The Policy is in line with the requirements set by Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector.

## 3. Policy review

This Policy will be reviewed and updated annually, and on an ad hoc basis in case of major changes to the organizational structure of SI, in case of amendments to the regulatory framework governing this Policy or if otherwise deemed necessary.

## 4. Integration of sustainability risks into the investment decision process

### A. Organizational set-up of the Portfolio Management function

The Portfolio Management function may be either taken over by SI or be delegated to third party portfolio managers.

#### *(i) SI performs the Portfolio Management function*

SI performs the Portfolio Management function itself. In this case, SI can involve investment advisors who support the investment decision process. The investment decision is the sole responsibility of SI. Therefore, investment proposals from investment advisors are duly assessed against regulatory and legal requirements before their execution (pre-trade assessment). SI will for any fund integrate the sustainability risks as deemed relevant in the investment advisory process requirements, i.e. the proposal provided by the advisor as well as the assessment of this proposal in the final decision-making process by SI.

***(ii) SI delegates the Portfolio Management function***

SI may delegate the Portfolio Management function to third party portfolio managers. In case of delegation the external portfolio manager is responsible for the investment decision process and pre-trade assessments.

SI has the regulatory obligation to monitor the quality of service of the external portfolio manager on an ongoing basis. To fulfil its duties SI implemented a robust post-trade assessment to verify investment decisions executed by any external portfolio manager are in line with regulatory and legal requirements. SI will for any fund integrate the sustainability risks as deemed relevant in the investment management process requirements and the due diligence assessment of the delegated portfolio managers.

### B. Integration of sustainability risks into the investment decision process

A sustainability risk is every environmental, social or governance (ESG) event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

SI is aware of the material impacts ESG events or conditions may cause to the funds managed and deems sustainability risks to be relevant to all the funds managed.

Therefore, SI implemented a robust process for the handling and monitoring of sustainability risks in its pre-trade (internal portfolio management) and post-trade assessments in case of delegation of the portfolio management function.

## 5. Sustainability factors considered in the investment decision process

The aim of including sustainability risks in the investment decision is to identify the occurrence of these risks as early as possible and to take appropriate measures to minimize the impact on the investments or the overall portfolio of the (sub-) fund. The events or conditions that may be responsible for a negative impact on the return of the fund are split into environmental, social and corporate governance aspects. While environmental aspects include climate mitigation, for example, social aspects include the consideration of internationally recognized labor law requirements or the abolition of a gender pay gap. Corporate governance aspects include, for example, the consideration of employee´s rights and data protection. The company also considers the aspects of climate change, including physical climate events or conditions such as heat waves, storms, rising sea levels and global warming.

The specific sustainability factors considered may vary as they depend on the specific investment strategy followed by the (sub-) fund.

The effect of sustainability factors on the investments of a fund are monitored throughout the investment lifecycle and may therefore lead to disinvestment of certain investments given an increase of the sustainability risk level of a specific investment or the (sub-) fund portfolio.

## 6. Sustainability risk approach

SI set up the monitoring of sustainability risks by integrating them into the risk profiles of the funds managed. The risk profile reflects the level of identified relevant risks that arise from the investment strategy, as well as the interaction and concentration at portfolio level for each fund managed by SI.

SI defined internal risk limits in relation to sustainability risks for each fund managed. The risk limits describe the maximum risk a fund is exposed to a certain risk type. The internal Risk Management function is responsible for the monitoring of the defined sustainability risk limits set.

To effectively monitor the risks, SI decided to cooperate with third party service providers who assess external data sources to calculate the overall sustainability (risk) exposure of a fund portfolio based on the defined sustainability factors. The results of the assessment are compiled and constantly monitored by the internal Risk Management function against the limits set in the (sub-) fund`s risk profile.

In case the overall sustainability risk exposure of the fund is above the limits for a sustainability factor of an investment, it will be directly reported to SI's Conducting Officer and the responsible portfolio manager.

## 7. Reporting

The Risk Management function is regularly reporting on the overall risk exposure of the funds to the Management Board of SI.

All information concerning this Sustainability Risk Policy and its implementation is publicly available on SI's website www.structuredinvest.lu.

Luxembourg, November 2024

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