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STATEMENT ON SUSTAINABILITY RISK POLICIES

Sustainable finance disclosures regulation („SFDR“) Article 3 - Transparency of sustainability risk policies

Sustainability Risk Policies at SIA SG Capital Partners AIFP

SG Capital Partners AIFP (SG Capital or the Company) defines sustainability risk as an environmental, social or governance event or condition that, if it occurs, could cause a negative material impact on the value of the investment. Therefore, it is at the best interest of the Company that the sustainability impacts and risks are identified and prevented, minimised or controlled.

The process the sustainability risk management and integration in the investment decision-making at SG Capital is described in the Sustainability Risk Management Policy, Risk Management Guidelines and ESG Due Diligence Policy.

Risk identification and assessment

Sustainability impacts and risks at SG Capital are identified by regularly engaging with key internal and external stakeholders. The identified impacts and risks are assessed against the severity and likelihood of them occurring, resulting in identified material impacts and risks that need to be prevented or managed and minimised.

The identified material sustainability risks are integrated in the company's and its managed funds' sustainability strategy and targets. Regular monitoring of the risks is performed to enable their management.

Integration of Sustainability Risks in SG Capital's Investment Decision-Making Process.

The integration of material sustainability risks is ensured via ESG due diligence process that is carried out in two phases:

1. Pre-investment: that entails careful research and investigation of sustainability impacts and risks of potential investments and compliance with the Company's policies, and international best practice principles prior to making investment decisions.
2. Post-investment: that entails regular monitoring and reporting of the portfolio performance and its generated sustainability impacts and decisions made to remediate the course of action, should the performance and impacts of the investments made not align with the Company's objectives and policies.

During the process of assessment of the potential investments and monitoring of the occurring investments, the Do No Significant Harm principle is ensured by the company which entails compliance with minimum safeguards as laid out in Article 18 of the EU

Taxonomy Regulation (Regulation (EU) 2020/852), consideration and management of principal adverse impacts as laid out in SFDR (Regulation (EU) 2019/2088) and ensuring that no investments are made in controversial sectors or activities that are more prone to generating negative sustainability impacts.

Review of the policies

The policies that describe the sustainability risk management process and integration in the investment decision-making shall be reviewed regularly at least once a year and updated if deemed necessary, especially if there is no reduction of the adverse sustainability impacts of the managed portfolios.