



INFORMATION ACCORDING TO ARTICLES 3 & 4 OF REGULATION (EU) 2019/2088 ON SUSTAINABILITY-RELATED DISCLOSURES IN THE FINANCIAL SERVICES SECTOR

Alpha Asset Management M.F.M.C. is a UN Principles for Responsible Investments (PRI) signatory, committed to integrating environmental, social and governance (ESG) information into investment analysis, decision-making processes, and active ownership practices.

Environmental, social and governance (ESG) issues are important non-financial considerations in assessing and monitoring investments:

- Environmental issues relate to the quality and functioning of the natural environment and natural systems such as carbon emissions, biodiversity, environmental regulations, water and waste.
- Social issues relate to the rights, well-being and interests of people and communities such as human rights, labour standards, employee relations and health and safety.
- Governance issues relate to the governance of companies and other investee entities, with focus on management, oversight and accountability such as board structure, pay, transparency and minority shareholder rights.

We acknowledge the responsibility we have as an asset management company to address environmental, social and governance issues in our business. We recognize that ESG risks and opportunities exist and have the potential to impact financial returns. As investment professionals we incorporate sustainability perspectives in investment decisions, active ownership and business culture for long-term value creation and positive contribution to society.

We consider ESG factors alongside traditional financial measures and processes in order to provide a more comprehensive assessment of investment risks and opportunities, leading to better-informed investment decisions and adding value to clients' portfolios, in accordance with 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 ("SFDR").

The framework to incorporate sustainability perspectives in investment decisions, active ownership and business culture for long-term value creation and positive contribution to society, is outlined in our "Environmental, Social and Governance (ESG) Policy". The ESG Policy represents the guiding principles applied to ensure the appropriate incorporation of sustainability risks and opportunities into the investment management process. Capital allocation is strengthened across all asset classes by identifying material ESG issues that are driving value and by assessing and analysing ESG factor performance.

The Responsible Investment strategy centres around the following pillars:

- Identify sustainable investment opportunities
- Analyse ESG data and report on ESG metrics
- ESG integration tailor-made to each asset class
- Utilise ESG guidelines in portfolio construction
- Better manage risks
- Develop engagement techniques



Our approach to responsible investment is developed to cover equity, fixed income and multi-asset portfolios and includes ESG due diligence in fund of funds portfolios. We combine an optimal blend of ESG strategies, adapted for each portfolio according to the specific characteristics of its asset class, investment process and geographical area. We exercise active ownership by engaging in constructive dialogue with companies and by exercising our voting rights at annual shareholder meetings. Our engagement practices are based on corporate culture and conduct, sound business planning, commitment to stakeholder and transparency. The framework for responsible investment aims to strengthen our fiduciary duty, adapt to forthcoming regulatory requirements, enhance returns, and better manage risks.

The extent and manner in which the sustainable investment approach is applied may differ depending on the type of mutual fund, asset class, geographic region and type of security. Consequently, the implementation of the sustainable investment approach applies individually across all mutual funds.

You can find more information about our ESG approach on our [website](#).

Principal Adverse Impacts

Alpha Asset Management M.F.M.C. declares that it currently does not consider principal adverse impacts of investment decisions on sustainability factors¹ due to the lack of the required information, as referred to in Commission Delegated Regulation (EU) 2022/1288 supplementing Regulation (EU) 2019/2088, for a significant proportion of the issuers of the financial instruments included in the managed portfolios. When the aforementioned required information becomes available, the Company intends to review its decision and implement the appropriate procedures in order to consider principal adverse impacts of investment decisions on sustainability factors.

Sustainability Risk² Management

Alpha Asset Management M.F.M.C. integrates Environmental, Social and Governance (ESG) risks and opportunities into the investment management process through the implementation of its ESG Policy. The Risk Management unit follows a framework for monitoring ESG risks in each UCITS and communicates relevant findings to the board, senior management, and portfolio managers. The purpose of the ESG risk framework is to evaluate ESG risks and incorporate them into the risk profile assessment of each UCITS. In addition, the Risk Management unit monitors the compliance of any internal limits or thresholds that are put in place as part of the ESG Policy implementation.

At the core of the ESG risks monitoring stands the assessment of key issue ESG risks on a security level utilizing a rating/scoring system, applied individually across all investment portfolios. The key issue ESG risks vary by company, country and industry level.

¹ Sustainability factors: environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

² Sustainability risk: 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.