List of Abbreviations

AIF	Alternative Investment Fund
AIFM	Alternative Investment Fund Manager
AIFMG	Act on Alternative Investment Fund Managers of 19 December 2012
AIFMV	Ordinance on Alternative Investment Fund Managers of 22 March 2016
CO	Compliance Officer
ESG	Environmental, Social, Governance
ESMA	European Securities and Markets Authority, Paris
FMA	Financial Market Authority Liechtenstein
GL	Executive Management
LAFV	Liechtenstein Investment Fund Association
Leg & Co	Legal and Compliance Department
Sustainable Investment	Investment in an economic activity that makes a significant contribution to an environmental or social objective without significantly impairing other sustainability objectives, and while observing good corporate governance.
Sustainability Risk	An event or condition in the fields of environment, social or governance that could actually or potentially have a material negative impact on the value of an investment.
Sustainability Factors	Environmental, social and employee matters, respect for human rights, as well as the fight against corruption and bribery.
OGAW	Undertakings for Collective Investment in Transferable Securities
PAI	Principal Adverse Impacts, i.e. material adverse effects of investment decisions on sustainability factors according to Art. 7 SFDR
RM	Risk Management, Risk Manager

SFDR	**Sustainable Finance Disclosure Regulation, Regulation (EU) 2019/2088**
UCITSG	**UCITS Act of 28 June 2011**
UCITSV	**UCITS Ordinance of 5 July 2011**
VR	**Board of Directors**
WP	**Auditor**

1. Initial Situation

With the Paris Climate Agreement, the signatory states committed themselves to keeping global warming well below 2 °C compared to pre-industrial levels and, if possible, to limiting it to 1.5 °C. The EU actively involves the financial sector in achieving these objectives, aiming to steer capital flows into sustainable economic activities.

For financial market participants, this means:

- Disclosure of how sustainability risks are taken into account in the investment process,
- Presentation of possible negative impacts on sustainability factors,
- Classification and description of products that promote environmental or social characteristics or pursue sustainable investment objectives.

The regulations apply to all AIFMs and UCITS management companies operating in the EU/EEA, as well as to all financial products launched or distributed there. For products under **Art. 8 or 9 SFDR**, extended disclosure requirements apply.

2. Legal Basis

2.1 Sustainable Finance Disclosure Regulation (SFDR)

The disclosure requirements are based on **Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector** (Sustainable Finance Disclosure Regulation, SFDR), which applies directly in Liechtenstein under the EEA Agreement.

Overview of Content
The SFDR requires financial market participants and financial advisers to provide standardized information on sustainability aspects. Its aim is to create transparency on:

- **how sustainability risks** are integrated into investment decisions,
- **which adverse impacts** on sustainability factors (Principal Adverse Impacts) are taken into account, and
- **how products** are classified and described according to ecological or social characteristics or sustainable investment objectives.

This disclosure enables investors to make informed decisions and facilitates the comparison of sustainability approaches between providers.

Source:

SFDR Offenlegungsverordnung.pdf

2.2 Classification of Financial Products under SFDR

Regulation (EU) 2019/2088 (SFDR) defines three central categories of financial products to ensure clear and comparable representation of sustainability aspects:

- **Art. 6 Products**
  Financial products that **do not** pursue sustainable investment objectives and where sustainability risks are either not taken into account or only described in general terms.
- **Art. 8 Products ("Light Green")**
  Financial products that **promote environmental and/or social characteristics** but do not pursue an exclusively sustainable investment objective. It must be demonstrated how these characteristics are met and monitored, including applied methods and criteria.
- **Art. 9 Products ("Dark Green")**
  Financial products that pursue a **sustainable investment objective** as a core element of the investment strategy. This includes, for example, investments in economic activities that contribute to the achievement of environmental or social goals without significantly impairing other sustainability objectives.

This categorization provides investors with clear guidance and facilitates **comparison of sustainability approaches** between products and providers.

2.3 Taxonomy Regulation

Disclosure is also based on **Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment** (EU Taxonomy Regulation), which applies directly in Liechtenstein under the EEA Agreement.

Overview
The Taxonomy Regulation establishes a uniform classification system to determine when an economic activity is considered environmentally sustainable.

It defines six environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and reduction
6. Protection and restoration of biodiversity and ecosystems

An activity is considered environmentally sustainable if it substantially contributes to at least one of these objectives, does not significantly harm the other objectives, complies with minimum safeguards, and meets the technical screening criteria set by the EU.

The regulation promotes transparency and comparability of sustainable investments in the European internal market.

Source:

eur-lex.europa.eu/legal-content/DE/TXT/PDF/?uri=CELEX:32020R0852&from=DEent/EN/TXT/PDF/?uri=CELEX:32020R0852&from=DE

2.4 Level II Requirements

In addition, the **Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088** (SFDR) and applies directly in Liechtenstein under the EEA Agreement.

Overview
This delegated regulation specifies the disclosure obligations set out in the SFDR by means of **Regulatory Technical Standards** (RTS).

It defines, among other things:

- **Format, content and methodology** for disclosing how sustainability risks are considered in investment decisions,
- **Requirements for disclosing adverse impacts** on sustainability factors (PAIs), including standardized indicators,

- **Standardized templates** for pre-contractual information, website disclosures and regular reports on financial products that promote environmental or social characteristics or pursue sustainable investment objectives.

The aim is to ensure a high level of **comparability and transparency** for investors by requiring all market participants to present their sustainability information in a consistent and easily understandable format.

2.5 Implementation in Liechtenstein

The implementation of Regulation (EU) 2019/2088 (SFDR) in Liechtenstein is carried out through the **Act of 11 March 2022 on the implementation of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector**.

Overview
The law regulates **national responsibilities, supervisory powers and sanctions** in connection with the application of the SFDR in Liechtenstein. It sets out:

- The **competent authority** for monitoring compliance with the SFDR (Financial Market Authority Liechtenstein, FMA),
- The **FMA's powers** to request information, conduct audits and impose measures in case of violations,
- The **sanctioning framework**, including administrative measures and fines.

The objective is the **full and consistent implementation** of the SFDR in the EEA member Liechtenstein, creating legal certainty for financial market participants and ensuring the transparency of sustainability-related information required across Europe.

3. Role of the Company

The business activities of Ci Fund Services AG combine the strengths of the Liechtenstein financial centre: tradition, innovation and sustainability. Protecting our planet is a major concern for us. Therefore, it is important to us to integrate the values of tradition and innovation with sustainability wherever possible in our business model. We create innovative, process-oriented solutions that make use of the modern regulatory environment and new technological developments. This enables us to unlock adaptability and innovation capacity to meet the upcoming ecological transformation.

We foster fair, sustainable and long-term partnerships externally with our clients and business partners, as well as internally with our employees and shareholders. In line with our corporate vision “One Stop Shop”, we provide our clients with wide scope in designing their financial products within the framework of the law. We are technically equipped to implement all of our clients' sustainability goals.

The management of Ci Fund Services AG leads the company with commitment, relying on the expertise, diligence and conscientiousness of its qualified employees. It acknowledges its responsibility to uphold high ethical standards in all matters. The success of the company – considering regulatory and legal frameworks as well as client needs – has top priority.

Our employees experience a positive working atmosphere and a safe working environment, are competent and highly motivated. The service mindset drives our actions and is key to high client satisfaction. The perspectives of others, their personal dignity, privacy and personal rights are of great value; we respect one another and support each other as a team. This attitude also extends to our clients.

Our employees are individually supported and have equal development opportunities. Within their respective responsibilities, they expand their expertise through external training, which is implemented in our internal policies and regulations. The qualification of all employees and adaptation to changing conditions is ensured through internal training.

4. Integration of Sustainability Risks into the Investment Process (Art. 3 SFDR)

We act in the best interests of our investors, in compliance with regulatory requirements and with the goal of creating long-term value. Sustainability risks are an integral part of risk assessment and are integrated into the investment decision-making process to the extent relevant.

A sustainability risk may have material adverse effects on the value of an investment and is understood as a cross-cutting aspect of various risk types (market, credit, liquidity, legal, reputational and operational risks). The failure of issuers to consider ESG criteria may negatively affect their financial strength, reputation and business model and may even lead to total loss.

We ensure that sustainability risks are appropriately taken into account in all self-managed funds as well as in mandated portfolios. ESG metrics are incorporated into due diligence, risk management, remuneration policy and fund organization.

5. No Consideration of PAIs at Company Level (Art. 4 SFDR)

Special attention is paid to companies that comply with their disclosure obligations regarding ESG indicators. This concerns both large companies with more than 500 employees that are obliged to report on certain Principal Adverse Impacts (PAIs), as well as small and medium-sized enterprises – particularly in the private equity segment – that have so far provided such information voluntarily.

At company level, no material adverse impacts on sustainability factors (PAIs) are currently systematically considered. The reason lies in the business model with delegated portfolio management, as well as limited data availability and methodological uncertainty.

However, individual external asset managers already integrate selected PAIs – e.g. CO_2 emissions, energy consumption, breaches of the UN Global Compact – where reliable data is available. We continuously assess the extent to which more comprehensive PAI integration will be possible in the future once data quality allows.

6. Handling of Missing ESG Data

The assessment of sustainability risks and PAIs requires reliable data, which is not always available – for example in the case of companies outside the EU/EEA or below certain size thresholds. In such cases, alternative information sources and estimation methods are used to enable an adequate ESG assessment.

7. Review and Update

This policy is regularly reviewed and adjusted as necessary to take account of regulatory developments and market requirements.

8. Entry into Force

This policy enters into force upon resolution of the Executive Management on August 26th 2025.