



Sustainability Risk Integration Policy

1. Introduction

- 1.1. This Sustainability Risk Integration Policy (hereinafter also referred to as the "**Policy**") sets out the principles that the Company applies when integrating sustainability risks into the investment process.
- 1.2. This Policy is made available to persons interested in acquiring and owners of securities issued by funds managed by the Company (hereinafter referred to as the "**Funds**") on the website <https://www.jetinvestment.cz/>
- 1.3. "**sustainability factors**" means environmental, social and employee matters, respect for human rights, and anti-corruption and bribery issues.
- 1.4. "**SFDR Regulation**" refers to 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, as amended.
- 1.5. "**sustainability risk**" means an environmental, social or governance event or condition that, if it occurred, could have an actual or potential material negative impact on the value of an investment.
- 1.6. "**Sustainable investment**" means investments as defined in Article 2(17) of the SFDR, i.e., investments in economic activities that contribute to environmental objectives, for example, investments measured by key resource efficiency indicators in terms of energy use, renewable energy, raw materials, water, and land, waste production, greenhouse gas emissions, or indicators of its impact on biodiversity and the circular economy, or investments in economic activities contributing to social objectives, particularly investments contributing to addressing inequality or investments promoting social solidarity, social integration and labour relations, or investments in human capital or economically or socially disadvantaged communities, provided that these investments do not significantly harm any of the above objectives and the companies in which they are invested, comply with good governance practices, in particular with regard to sound governance structures, employee relations, remuneration of relevant employees, and compliance with tax regulations.

2. The Company's approach to sustainable investing

- 2.1. When selecting investments, one of the factors taken into account by the Company is whether or not an investment qualifies as a sustainable investment. The Company's approach to the extent to which sustainability risks are considered in investment decision-making depends on the nature of the specific investment and on the investment strategy of the relevant Fund.
- 2.2. The Company integrates sustainability risks in accordance with this Policy; however, it does not currently consider the adverse impacts of its investment decisions on sustainability in all cases. The Company considers the integration of sustainability risks to be a natural part of the investment process. Taking into account the sectors and areas in which the Company invests, it does not expect that its investment decisions will have a negative impact on sustainability. The Company does not exclude the possibility that it may consider such adverse impacts in the future, in particular following the adoption of regulatory technical standards.

3. Integration of sustainability risks

- 3.1. In order to comply with the SFDR, the Company is required to disclose:
 - the manner in which sustainability-related risks are integrated into the investment process, and
 - the results of the assessment of the likely impact of sustainability-related risks on the performance of the Funds.
- 3.2. The Company has assessed that sustainability risks are relevant to investment decision-making in relation to the Funds and therefore integrates the consideration of such risks into its investment process.
- 3.3. The Company, when selecting investment opportunities (in the case of Funds on whose behalf it invests, when selecting target assets), assesses, among other things, whether the target company (or other target asset) applies sound governance practices with regard to:
 - management structure,
 - remuneration,
 - disclosure of information and transparency.
- 3.4. The Company takes sustainability-related risks into account from the early stages of the investment process (consideration of the acquisition of the relevant asset) and in subsequent stages of the investment process (pre-investment due diligence). Should the Company find material deficiencies in the areas described in Article 3.3

of this Policy, it will not proceed with the acquisition of the asset in question (until such deficiencies have been remedied).

- 3.5. There is no guarantee that the measures applied by the Company will mitigate or prevent sustainability-related risks in relation to the Funds. The likely impact of an actual or potential material adverse effect on the value of an investment resulting from an environmental, social, or governance event or on the conditions of return on an investment in a Fund may vary from case to case and may depend on a number of factors.

4. Sustainability risks

- 4.1. The potential impact of sustainability risks on the returns of a given Fund depends on the Fund's overall exposure to a specific investment and the severity of the sustainability risks.
- 4.2. The sustainability risk assessment is, to a certain extent, inevitably subjective, and there is no guarantee that all of the Fund's investments, even those that take sustainability risks into account as part of their investment selection processes, will reflect the beliefs or values of a particular investor in the area of sustainable investment.
- 4.3. Furthermore, the circumstances under which sustainability risks are not or cannot be incorporated into investment decisions or the assessment of sustainability risk itself may change over time depending on the availability of relevant data or other information that may become available.

5. Consideration of the main adverse effects

- 5.1. In the absence of regulatory or technical standards, the Company will continue to apply the principle of considering the adverse impacts of its investment decisions on sustainability factors (environmental, social and/or governance factors).