

## **SUSTAINABILITY RISK INTEGRATION POLICY**

### **1. INTRODUCTION**

This Policy has been developed to ensure that SIA Spirit Capital Investments (hereinafter — SCI) integrates sustainability risks in accordance with the requirements of 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 well as Commission Delegated Regulation (EU) 2021/1253 of 21 April 2021 amending Delegated Regulation (EU) 2017/565 as regards the integration of sustainability factors, risks and preferences into certain organisational requirements and operating conditions for investment firms (MiFID II Sustainability Amendments).

### **2. SUSTAINABILITY RISK MANAGEMENT**

- 2.1. Sustainability risks are environmental, social or governance events or circumstances (also known as ESG risks) that, if they occur, could have a material or potentially negative impact on the value of an investment.
- 2.2. SCI's operations are underpinned by a commitment to integrating ESG principles across all aspects of its business and investment practices. SCI recognises that ESG factors play a significant role in long-term value creation and effective risk management. SCI's management is committed to embedding sustainability, responsible investment and corporate social responsibility at the core of its operational strategy.
- 2.3. SCI recognises that ESG factors are key drivers of long-term value creation. By prioritising environmental sustainability, social responsibility and sound governance practices, SCI aims to enhance resilience, mitigate risks and capture opportunities that support sustainable growth. Recognising the interconnection between ESG issues and financial performance, SCI integrates these considerations into investment analysis, asset management and business operations.
- 2.4. Transparency of disclosure is a fundamental element of SCI's approach to ESG integration. SCI is committed to open and honest communication with stakeholders and clients regarding its commitments to sustainability and responsible investment.
- 2.5. Companies that currently or in the future may generate more than 5% of their revenues from sectors which, in SCI's view, are involved in humanitarian, social, ethical or environmental concerns are excluded from SCI's investment portfolios. SCI considers companies associated with the sectors listed below to be socially and environmentally irresponsible and therefore excludes them from its potential investment universe:
  - production or sale of weapons and armaments;
  - production or sale of tobacco and alcohol;
  - production or sale of thermal coal;
  - gambling and pornography;

- fast consumer credit.

### **3. IDENTIFICATION AND ASSESSMENT**

- 3.1. SCI identifies and assesses sustainability risks associated with all financial products and investment objects offered and managed by SCI.
- 3.2. SCI uses standardised methodologies and tools to assess and quantify sustainability risks, encompassing environmental, social and governance dimensions.

### **4. INTEGRATION INTO THE INVESTMENT AND INVESTMENT ADVISORY PROCESS**

- 4.1. SCI incorporates sustainability risk assessment at all stages of the investment process, from asset selection through to investment portfolio management.
- 4.2. SCI adapts its investment criteria and strategies to incorporate sustainability risks and to ensure their appropriate management and mitigation.
- 4.3. When providing investment information, SCI includes details of the sustainability assessment of the relevant investment in accordance with the provisions of Article 24(4) of Directive 2014/65/EU.

### **5. COMPLIANCE AND DISCLOSURE**

- 5.1. SCI ensures compliance with the disclosure requirements of Regulation (EU) 2019/2088 in respect of sustainability risks and their impact on financial products.
- 5.2. SCI ensures that clients have access to clear and comprehensive information on sustainability risks in respect of each investment object, enabling them to make informed investment decisions.
- 5.3. SCI applies the “comply or explain” principle in respect of the principal adverse impacts on sustainability factors (PAI). Having regard to the scale and nature of SCI’s activities as a Class 3 investment firm, SCI does not currently publish a PAI statement, as the number of SCI’s employees does not exceed 500. SCI publishes and maintains on its website an up-to-date statement setting out the reasons why the principal adverse impacts on sustainability factors are not taken into account, and indicates whether and when SCI intends to take such impacts into account.
- 5.4. When providing investment advice, SCI ascertains clients’ sustainability preferences and takes them into account in the suitability assessment. Where a client expresses sustainability preferences, SCI offers, to the extent possible, financial instruments that meet those preferences (taxonomy-aligned investments, sustainable investments within the meaning of SFDR, or products that consider principal adverse impacts). Where no suitable product is available, SCI informs the client and records that fact.
- 5.5. SCI ensures that its remuneration policy is consistent with the integration of sustainability risks in accordance with the requirements of Article 5 of Regulation (EU)

2019/2088. The relevant information regarding such consistency is published on SCI's website and kept up to date.

## 6. EMPLOYEES AND AGENTS

- 6.1. SCI fosters a diverse and inclusive working environment and culture, as well as career management practices that are supportive of its employees' talent pool.
- 6.2. SCI ensures that its employees and agents are trained in and understand this Sustainability Risk Integration Policy and its practical implementation.

## 7. CONTROLS AND RISK MANAGEMENT

- 7.1. SCI has established regular reviews and controls to ensure that sustainability risks are appropriately assessed and managed. SCI implements mechanisms to reduce its contribution to systemic risk in the financial system, as well as safeguards to mitigate the impact of systemic failures on its operations.

### Document Version History

Version	Effective Date	Summary of Changes	Pages
1.0	14.03.2024.	Initial version	3
1.1	25.03.2025.	Updated to reflect MiFID II sustainability amendments (Commission Delegated Regulation (EU) 2021/1253); PAI application principle clarified.	3
1.2	26.03.2026.	Updated to include a provision on the consistency of the remuneration policy with the integration of sustainability risks (Article 5 of Regulation (EU) 2019/2088).	4

### Organisational Conditions of the Document

<b>Owner</b>	Legal Function of the Company
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