EU Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector

Pursuant to the EU Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the "**SFDR**"), J. Safra Sarasin Fund Management (Luxembourg) S.A. ("**JSSFML**") as dual ManCo in Luxembourg is required, among others, to make appropriate disclosures with regards to sustainability risks and their integration into the investment decision process.

"Sustainability Risks" refer to 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 investments made by JSSFML. Such risks are principally linked to climate-related events resulting from climate change (also known as physical risks) or to society's response to climate change (also known as transition risks), which may result in unanticipated losses that could affect JSSFML and its investments. Social conditions (e.g. labor relations, investment in human capital, accident prevention, changing customer behavior, etc.) or governance shortcomings (e.g. recurrent significant breach of international agreements, bribery issues, product quality and safety, selling practices, etc.) may also translate into Sustainability Risks. The impacts following the occurrence of a Sustainability Risk may be numerous and vary depending on industries, regions and asset classes. Sustainability Risks are integrated into JSSFML's risk management framework and included in the Risk Management Policy.

JSFML employees are incentivized to apply sustainability considerations wherever possible and conduct their duties in a sustainable, client-orientated manner. Risk awareness, including consideration of Sustainability Risks, and the respect of internal risk limits are part of the qualitative performance assessment of its employees as indicated in JSSFML's remuneration policy. JSSFML considers the principal adverse impacts of its investment decisions on sustainability factors according to its own in-house measures backed by 30+ years of J Safra Sarasin Group's sustainable investment expertise and not as per the definitions set out in the SFDR.

Indeed, with sustainable investing as much as with investing in general, there is no "one size fits all" approach. Ultimately, it comes down to investors' goals, from mitigating risks and delivering positive impact, through to seizing sustainability opportunities. To this end, JSSFML have developed a comprehensive set of tools and strategies allowing it to prioritize and achieve sustainable investment objectives for the benefit of its clients and society. Material positive or negative impact will vary depending on the investment's industry sector or geographical area among others. JSSFML's internal Portfolio ESG and Impact Reporting accounts for this varying materiality and allows it to consider and monitor the impact of its investment decisions on sustainability factors.

As part of the J Safra Sarasin Group, JSSFML continues to lead the industry in sustainability and is committed to driving further development through membership of leading industry bodies and as a founding signatory of the Principles for Responsible Banking and the Principles of Responsible Investing.

The Group is committed to contribute to achieving society's goals as expressed in the UN Sustainable Development Goals and the Paris Climate Agreement.

Furthermore, Investors may also request free of charge detailed information on the Sustainability Risks at J. Safra Sarasin Fund Management (Luxembourg) S.A. 11-13, Boulevard de la Foire L-1528 Luxembourg Tel. +352 26 21 25 1, Fax +352 26 21 25 49, E-Mail: jssfml_info@jsafrasarasin.com