DISCLOSURE STATEMENT ON SUSTAINABILITY RISK POLICIES AND PRINCIPAL ADVERSE IMPACTS

ONE fund management S.A. ("ONE")
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1. Introduction

ONE is authorised and regulated by the Commission de Surveillance du Secteur Financier ("CSSF") as a Management Company under Chapter 15 of the Law of 17 December 2010 and as an Alternative Investment Fund Manager ("AIFM") according to the Law of 12 July 2013. As per Regulation (EU) 2019/2088 (the Sustainable Finance Disclosure Regulation, "SFDR"), ONE will be classified as a "financial market participant."

Under Article 3 of SFDR, a financial market participant must disclose information about its policies with regards to the integration of sustainability risks in its investment decision-making process. "Sustainability risk" is defined as an environmental, social or governance ("ESG") event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment. This disclosure statement will describe ONE's methodology and policy approach with regards to Article 3 of SFDR.

Under Article 4 of SFDR, a financial market participant must disclose a statement on due diligence policies with respect to principal adverse impacts ("PAI") of its investment decisions (where these impacts are being considered**).**

2. Delegation Arrangements

ONE typically delegates the portfolio management function to a qualified third party investment manager (the "Investment Manager"). In certain instances, ONE may retain the portfolio management function while appointing a third-party investment advisor. Therefore, ONE typically delegates "investment decisions" as defined under SFDR to the Investment Manager, subject to initial due diligence and ongoing oversight by ONE.

Consideration of the integration of sustainability risks into investment decisions will be detailed in pre-contractual disclosures in accordance with article 6 of SFDR. This is determined during the on-boarding stage of a new Fund vehicle in conjunction with the Investment Manager.

Since the investment strategies of Funds managed by ONE differ in their consideration of sustainability factors principals adverse impacts, ONE has adopted appropriate policies covering all of these scenarios.

3. Policy Approach

ONE's policy framework has been amended in accordance with the above and will ensure appropriate classifications and respective disclosures for all Funds it manages. The ESG Funds classifications comprises of:

- Article 6: imposes a basic disclosure requirement in terms of how the Investment Manager integrates sustainability risks into its advice or portfolio management investment decisions (i.e. how an ESG event or condition may have a material adverse impact on the value of an investment, and how the Investment Manager deals with those risks), as well as the likely impacts of sustainability risks on returns. If the Investment Manager decides that sustainability risks are not relevant, he should explain why (this requirement applies regardless of whether the client has indicated an ESG preference or not).

- Article 8: Funds which promote environmental or social characteristics and which invest in companies that follow good governance practices (and require more detailed disclosures).

- Article 9: Funds which have either sustainable investment or reduction in carbon emissions as their objective (and require more detailed disclosures).

Depending on the classification, an assessment of Sustainability Risk will be performed during the Risk Profiling exercise ensuring that the pre-contractual disclosures make reference to the classification and respective objectives and restrictions on the investment management process, while ensuring that the Funds comply with the desired environmental or social characteristics. This includes the internal and external controls in place in respect of such monitoring, and the sustainability indicators used during the lifecycle of the Fund for such purpose. In addition to this, the Risk Profile discloses the data sources used by the Investment Manager to monitor the ESG performance of the underlying assets, the measures taken to ensure data quality, and the proportion of data that is based on estimation.

For Article 8 or 9 Funds publishing PAI statements, ONE will ensure that there is a suitable procedure in place at the Investment Manager, and that appropriate disclosures are being made. Where PAI are not considered, ONE shall ensure appropriate explanations as to the reason for not considering PAI are contained within the relevant pre-contractual documents.

ONE has updated its Remuneration Policy in line with the above considerations. In both qualitative or quantitative terms, the Remuneration Policy promotes sound and effective risk management with respect to sustainability risks whereas the structure of remuneration will not encourage excessive risk-taking with respect to sustainability risks and will be linked to risk-adjusted performance.

This disclosure statement is subject to at least an annual review.