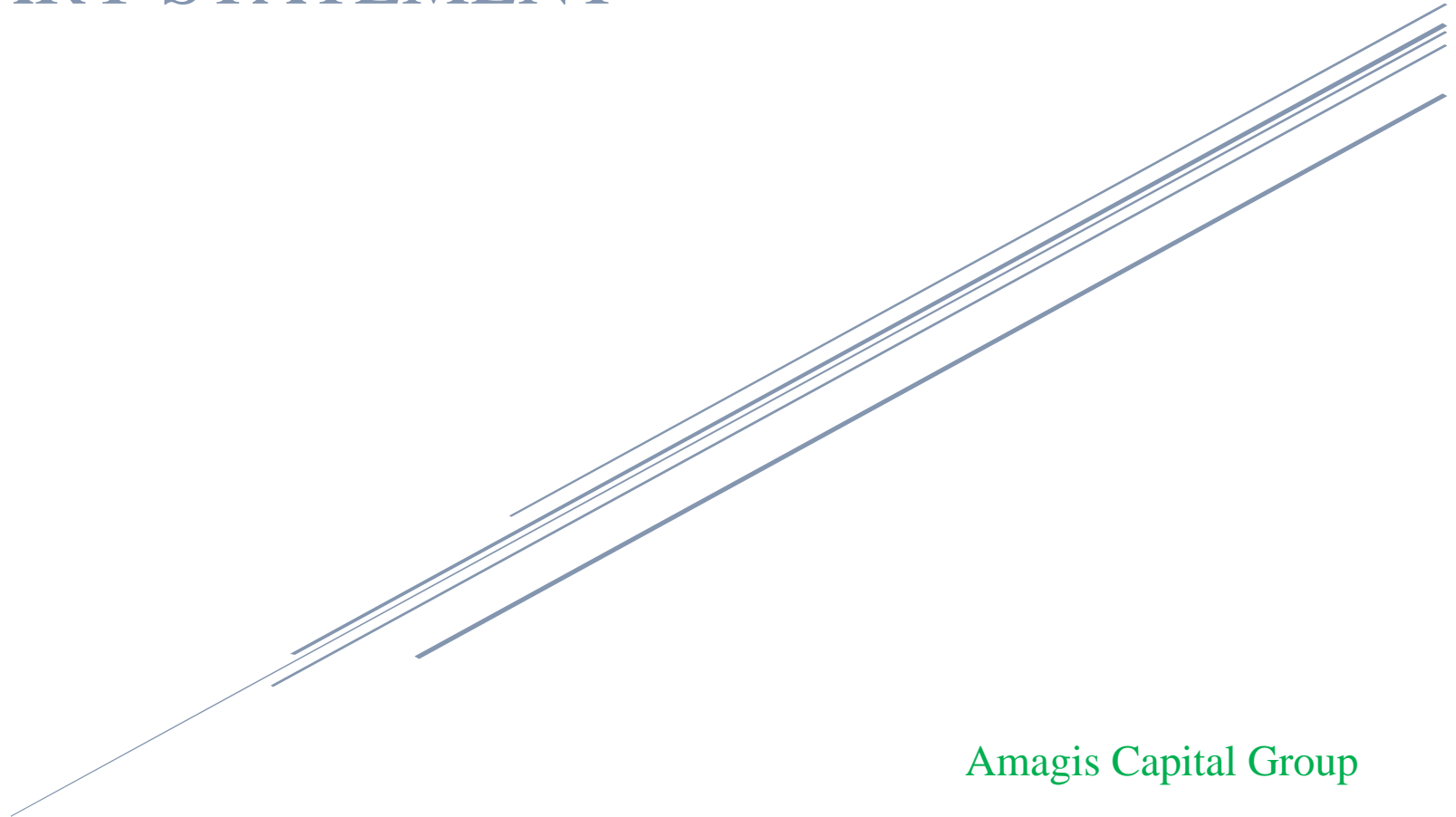


AMAGIS ESG POLICIES – SUMMARY STATEMENT

February 2021



Amagis Capital Group

AMAGIS AND ESG

NOT AN OPTION, BUT A MUST

1. INTRODUCTION

1.1 This Summary Statement provides a high-level overview on how all the companies forming part of the Amagis Capital group of companies (“**We**”/”**Us**”/”**Our**”), and namely (i) Amagis Capital Services Ltd, (ii) Amagis Capital ltd, (iii) Amagis Capital Funds SICAV p.l.c., (iv) Amagis Risk Limited, (v) Amagis SCC p.l.c., (vi) Amagis Capital Partners LLP, (vii) Amagis Capital Holdings Ltd, (viii) Ama UCITS SICAV p.l.c., (ix) Amagis LX Ltd and (x) Amagis Capital Management ltd (jointly the “**Amagis Group**”) evaluate *Environmental, Social and Governance* (“**ESG**”) engagement as value-creating factor for a business.

1.2 ESG is generally referred to as a concept embedding a series of metrics with respect to three core themes (namely, environmental, social and governance issues) that may impact a company’s ability to execute its business strategy and create value over the long term. Notwithstanding the traditional conception of ESG as non-financial factors, a firm’s and/or an investor’s approach toward ESG factors resulted to have measurably financial consequences as demonstrated by several studies.

1.3 Under a firm’s perspective, ESG engagement may be considered under two perspective:

- (i) from a *firm* perspective, looking at how an organisation itself is aware and adhere to certain standards with respect to ESG themes; and, on the other hand

- (ii) from an *investor* perspective, the ESG metrics of a target company may be adopted as factors to be analysed when evaluating a potential investment.

1.4 As to investment management related aspects detailed under Part A below, from the 10th of March 2021, the Regulation (EU) 2019/2088 (“**ESG Disclosure Regulation**”) introduced several disclosure duties to firms qualifying as “financial market participants” and “financial advisers”, affecting “financial products” as such terms are defined under the ESG Disclosure Regulation.

1.5 Following our internal assessment, we have determined that the following entities are falling within the scope of such regulation, qualifying respectively as financial market participant and as financial products:

- (i) Amagis Capital Management Limited (“**ACM**”), as UCITS and AIF management company, also licensed to provide investment advice and discretionary portfolio management to professional clients and eligible counterparties – this would fall under the definition of financial adviser and financial market participant;
- (ii) AMA UCITS SICAV p.l.c. (“**AMA**”), as UCITS with two sub-funds – as financial product;
- (iii) Lighthouse RAIF SICAV s.a. (“**LR**”), as RAIF with two sub-funds – as financial product.

1.6 We have set out in this document, Part A, the disclosures which we are required to provide in terms of the ESG Disclosure Regulation under a first section headed “Regulatory Disclosures”, whilst the following sections will detail certain aspects concerning how, as group of firms, we apply ESG principles.

1.7 Conversely, Section B, is more focused to provide a summary of the internal approach adopted by the Amagis Group when dealing with ESG themes arising out of its day-to-day activities. In this regard, Amagis has implemented a 3x3 approach for each of the ESG themes, by means of identifying three key metrics within each macro-theme and ensuring a ESG- compliant scoring in each of them. Additional metrics are duly taken in considerations in the policies of the Company.

1.8 For further information on our approach toward each of the themes referred to hereunder, you can contact us at info@amagiscapital.com

PART A – REGULATORY DISCLOSURES

1. REGULATORY DISCLOSURES - NO CONSIDERATION OF SUSTAINABILITY ADVERSE IMPACTS

- 1.1 Neither ACM, AMA nor LR sub-funds integrate sustainability risk nor sustainability adverse impact in their investment decision making/advisory/management process, nor they do qualify nor promote environmental or social characteristics or a combination of them, nor they have sustainable investment as its objectives. We believe that the materiality and weight of ESG factors, including sustainability factors, for investment decisions depend to a large extent on the investment strategy, investment objective, and time horizon of each financial product offered and, to date, the strategies developed by our funds under management/accounts under management/advisory strategies have not been conceived to take into account such elements.
- 1.2 Prominent disclaimers and risk warning with respect to the above are contained in the offering documentation of the aforesaid entities and the relevant key investor information documents (KIID), including the grounds behind such circumstances.
- 1.3 Such sustainability risk may have a material negative impact on the financial return of the investment strategy of the relevant Sub-Funds. For the purpose of this document, “sustainability risk” means 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 investment and “sustainability factors” mean environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.
- 1.4 Adverse sustainability indicators, as these are defined under Regulation (EU) 2019/2088 may include, amongst others, climate and other environment related indicators (such as greenhouse gas emissions, waste, water consumption), social and employee, human rights and anti-corruption and anti-bribery related matters.

- 1.5 Amagis is aware about the importance to evaluate the aforesaid indicators and may be carry out, in accordance with the relevant offering documentation of each sub-fund, changes to the current investment policy in order to take into account such factors where relevant for a particular investment approach. In this respect, an update from the current approach, is expected to be provided at the end of 2021.
- 1.6 However, also taking into account the current investment strategy of the sub-funds, when acting as Investment Manager we may, from time to time, take into account adverse impacts of investment decisions on sustainability factors as part of both the comprehensive pre-investment due diligence carried out from time to time and the monitoring of existing investments, with a particular focus on anti-corruption and anti-bribery related matters, such as cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery, number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws, insufficient whistleblower protection.
- 1.7 Without prejudice to the above, one or more investments made by the sub-funds may qualify as “sustainable investments”, within the meaning of the ESG Disclosure Regulation and/or we may take into account in the future, where so required by our clients, sustainability elements as part of our investment advisory/management mandates.
- 1.8 Taking into account, both at individual and aggregate level, the average number of employees, Amagis falls well below the threshold set out under Article 4(3-4) of the ESG Disclosure Regulation and as such is not subject to the requirements set out therein.
- 1.9 **Investment Advice/Discretionary Portfolio Management:** In terms of Article 5 of the ESG Disclosure Regulation, our investment advisory agreement entered to date had no reference nor they catered for the consideration of adverse impact of investment decisions on sustainability factors as none of our clients have required us to analyze ESG/sustainability implications in the provision of our services. However, when, depending on the preferences of the client at on-boarding stage, as detailed in the questionnaire to be filled by each client, the latter opts for having ESG factors considered in the delivery of our services, we will duly take into account such element in accordance with the criteria set out in the ESG Disclosure Regulation and the technical standards published from time to time.

2. REMUNERATION POLICY

- 2.1 The Remuneration Policy in place at ACM level has been designed to (i) align our incentives as manager with asset owners’ long-term interests and the long-term success of our investment management company; and (ii) to promote a sound and effective risk management culture to protect the value of the investment portfolio. We believe that this very same approach enables the integration of ESG/sustainability risk considerations, where these are relevant and material for investment performance, given that such integration would itself be an instrument to enhance investment performance, which would equally benefit our clients, the firm and its employees.
- 2.2 The integration and assessment of sustainability risks within the Remuneration Policy of ACM is carried out by the Risk Officer of the firm and is integrated also within the risk management policy of the Company.
- 2.3 The Remuneration Policy in place at ACM level is deemed consistent with the integration of sustainability risks. We have set out hereunder some of the assessments made *vis-à-vis* certain sustainability risks:

SUSTAINABILITY RISK ASSESSED	AMAGIS REMUNERATION POLICY APPROACH
Remuneration and governance	ACM has appointed a deputy independent remuneration officer, being Dr. Paul Magro, who sits in the board of ACM as independent director and has no close link or business interest with any of the ACM shareholders/senior managers.
Remuneration Structure on Risk Takers and Control Functions	Per sè, in view of the nature of ACM regulatory status, the remuneration policy of the firm is subject to the requirements of UCITS Directive and the AIFMD, including the Guidelines on Sound Remuneration under the UCITS Directive [ESMA/2016/575] (“ the UCITS Remuneration Guidelines ”) and the Guidelines on Sound Remuneration under the AIFMD [ESMA/2016/579] (“ the AIFMD Remuneration Guidelines ”)
Gender Pay Gap	Amagis Remuneration Policy is based on meritocracy, with the goal to compensate individuals, irrespective of their social background, gender, age, race and/or sexual

	<p>orientation, religion, and/or political opinions.</p> <p>The remuneration of each employee / functionary is based upon several factors, including individual contribution to the business of the Amagis Group as a whole, with reference to the average of market-based compensation comparators, professional seniority and academic experience, skillset replicability and business generation.</p> <p>There are no fixed bonus payments, and, generally, but not as a default option, salaries are increased on a yearly basis following an individual review carried out by the Board of Directors and sanctioned by the Remuneration Officer, being an independent director, in order to offer an attractive work environment without undermining the cautious risk profile of the firm.</p>
Excessive CEO pay ratio	The CEO ratio, approved by shareholders and sanctioned by the Remuneration Officer, is in line with market competitors and does not qualify as excessive, in ratio, when compared to the average salary the firms' employees.
Incidents of discrimination	To date, ACM has not registered any formal complaint on remuneration based on discrimination grounds.
Differences in rates for part-time / full-time employees	To date, ACM does not apply any penalization to employees' remuneration depending on their part-time or full-time status.
Severance Pays	Severance pays are limited to three months.
Executive Remuneration	Neither the CEO nor any director nor any executive have golden parachutes, early retirement/exit premia, or other material corporate benefits.

3. PRE-CONTRACTUAL DOCUMENTATION

- 3.1 Each of the relevant Amagis entities have amended their pre-contractual documentation, being the relevant fund offering documentation and the agreements to be entered into with clients with respect to the provision of investment advice and/or portfolio management, so to ensure that the lack of consideration of adverse impact of investment decisions on sustainability factors and of integration of sustainability risks, is duly disclosed to third parties.
- 3.2 The approach of Amagis toward such disclosures may vary in the coming months and if so, adequate disclosures and amendments shall be made in order to ensure compliance with the provisions of the ESG Disclosure Regulation.

4. MARKETING DOCUMENTATION

- 4.1 Each Amagis entities falling within the scope of the ESG Disclosure Regulation shall ensure on an on-going basis, under the responsibility of its Board of Directors and under the supervision of the compliance officer, that all marketing communications (e.g. presentations, pitch-books, websites and other advertorial material) do not contradict the information disclosed pursuant to the ESG Disclosure Regulation within this document and the other relevant documentation prepared by such entities.

PART B – AMAGIS AND ESG

1. AMAGIS AND ENVIRONMENT

Amagis Group is focused on operate minimising its operational impact on environment. In this respect, we have identified the following three metrics and undertaken the actions set out below:

Metric	Goal	Amagis Approach
Recycling	Ensure appropriate waste recycling by all the firm's employees	Amagis implements full recycling of waste, separating plastic, paper, organic, glass waste.

Plastic Use	Avoiding use of plastic bottles/items within the office to the extent these are replaceable with low-impact tools/items.	Amagis incentivizes employees to avoid the use of plastic bottles/glasses and rather adopt alternative arrangements.
Energy Efficiency	Minimizing the consumption of energy outside office hours and adopting efficient lighting systems.	Amagis adopts led illumination only during afternoon hours and seeks to ensure optimal utilization of energy across its offices, with timer sensors and similar arrangements.

2. AMAGIS AND SOCIAL

Amagis Group is focused on operate minimising its operational impact on environment. In this respect, we have identified the following three metrics and undertaken the actions set out below:

Metric	Goal	Amagis Approach
Temporary Worker Ratio	Breaking down the workforce by employment type demonstrates how the organization structures its human resources to implement its overall strategy. It also provides insight into the organization's business model, and offers an indication of job stability and the level of benefits the organization offers	Amagis has no temporary workers in place, striving to offer permanent positions after the probation period featuring its job offer.

Non discrimination	This ratio provides valuable insight into human capital strategy and management regarding certain protected employment classes	Amagis adopts a strict non-discrimination policy both at hiring and on-going valuation stage, disregarding gender, ethnicity, background and religion when processing applications and/or valuating career progression.
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Injury rate & Global and Health	Health and safety performance is a key measurement of organizational responsibility, and negative performance may impact investment, valuation, and the company's continuing social license to operate	Amagis registered very low and below-average sick leave or absence periods.
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3. AMAGIS AND GOVERNANCE

Amagis Group adopts a strong and robust corporate governance framework, duly codified in its compliance procedure manual drafted in line with the key industry guidance on the matter minimising its operational impact on environment. In this respect, we have identified the following three metrics and undertaken the actions set out below:

Metric	Goal	Amagis Approach
Board Structure – Composition	Ensuring an adequate composition of the board of directors where at least one independent member is appointed and oversees the management of the firm	Amagis has identified independent and local directors for its companies in line with the applicable regulatory regime. Each of the board members is in charge of a particular function and benefits from regular reporting by both the business and the control units within the firm
Compliance and client engagements	Ensuring compliance of the firm with the applicable regulations and that clients on-boarding is in line with the strict on-boarding policy of the Group	Amagis has developed a comprehensive compliance monitoring program so to ensure that the provision of the compliance procedure manual are

		adequately complied with. In terms of clients on-boarding, Amagis adopts the highest AML/KYC standards before on-boarding a client and has in place a tech-enabled solution to further ensure on-going monitoring on the on-boarded clients.
Governance	Ensuring open discussion within the firm and proper exchange of information across the board and the operating departments	Amagis adopts an open door policy by means of establishing daily contacts among board members, senior officers and employees

4. EFFECTIVE MONITORING

Amagis monitors on an on-going basis the compliance with its policies, including its ESG Policies, ensuring adequate and periodical reporting to its board of directors at least on an yearly basis.

5. AWARENESS

Amagis organises yearly events/seminars/conferences on ESG related themes generally opened to the public and/or oriented at its staff so to generate and promote awareness among its team and the society.

If you want to know more about our events and our approach to ESG, feel free to get in touch at info@amagiscapital.com

Valletta, February 2021,

The Board of Directors