

**ESG Policy**



Effective as of: 10/03/2021

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## Introduction

MC Square S.A. (“MC Square” or the “Company”) is a public limited company governed by the laws of the Grand-Duchy of Luxembourg, with a share capital of EUR 500,000. It is registered with the *Registre de Commerce et des Sociétés de Luxembourg* under number B28949, with its registered office at 23, Val Fleuri, L-1526 Luxembourg.

The Company is licensed by the CSSF as a Management Company under the regime set out in Chapter 15 of the Law of December 17th, 2010 on undertakings for collective investment. Accordingly, the Company is what is commonly known as a ‘UCITS management company’.

Since November 11th, 2016, the Company is also licensed by the CSSF as an Alternative Investment Fund Manager (“AIFM”) as per the provisions of the July 12th, 2013 Law on alternative investment fund managers.

## Legal framework

This Policy is designed with a view to comply with the requirements set out in:

- 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 (the “SFDR”);
- Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

## Definitions

ESG:	“E” for Environmental considerations which refer to climate change mitigation and adaptation, as well as the environment more broadly and the related risks; and  “S” for Social considerations which refers to issues of inequality, inclusiveness, labour relations, investment in human capital and communities; and  “G” for Governance of public and private institutions, including management structures, employee relations and executive remuneration, plays a fundamental role in ensuring the inclusion of the social and environmental considerations in the decision-making process.
Fund(s):	Means an undertaking for collective investment (UCI) managed by MC Square.
Sustainability Risk:	Means as defined in SFDR; 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 a Sub-Fund’s investment.

## I- Integration of sustainability risks

This section gives an overview of the policy of how MC Square integrates sustainability risks into the investment decisions in accordance with Art. 3 (I) of the SFDR, it being understood that this decision-making process may be carried out internally or by a delegated third party, as the case may be.

### A) Investment decision

Investment decisions taken by MC Square are duly assessed against regulatory and legal requirements before their execution.

MC Square will, for any Funds which considers Sustainability Risks to be relevant within the investment decision-making process and for which MC Square acts as an investment manager, incorporate Sustainability Risks as deemed relevant into the investment decision and into its Risk Management Plan (“RMP”).

### B) External Investment Manager

The investment management function might be taken by a third-party. In that case, the external investment manager is responsible for the investment decision process, in accordance with the mandate granted by MC Square.

For any Funds that considers Sustainability Risks to be relevant to the investment decision-making process, MC Square will integrate the sustainability risks deemed relevant in the process of evaluating those investment decisions with Sustainability Risk considerations and will integrate them into its RMP.

### C) Integration of sustainability risks into the investment decision process

MC Square is aware of the material impacts ESG events or conditions may cause to ESG Funds and deems Sustainability Risks to be relevant to each Funds as applicable with their specific investment strategy.

Details on the integration of Sustainability Risks into the investment decision-making processes of the relevant Fund can be found in the respective prospectus, operating memorandum or private placement memorandum.

## II- Principal adverse impact statement

For the time being, MC Square does not consider principal adverse impacts of investment decisions on sustainability factors. In accordance with Art. 4 (I) (b) of the SFDR, the main reason for not considering them at the company level is the lack of further information and data available to adequately assess the principal adverse impact.

## III- Remuneration policy

MC Square amended its remuneration policy in accordance with Art. 5 (I) of the SFDR which has been uploaded on MC Square’s website.