Schedule 1 – Web Statement

Nevastar Sustainability Policy Summary

A. Nevastar Commitment

To the extent possible, Nevastar adopts a sustainable approach in its daily activities and investment strategies, integrating sustainability risks.

A sustainability risk means an environmental, social or governance event or condition that, which if they occur have or may potentially have significant negative impacts on the assets, financial and earnings situation, or reputation of a supervised entity.

For Nevastar, taking into consideration sustainability risks means integrating ESG factors (as defined below) in its daily business for the benefit of its clients and overall, the financial system.

ESG factors are the following:

– Environmental
- Climate mitigation
- Adjustment to climate change
- Protection of biodiversity
- The sustainable use and protection of water and maritime resources
- The transition to a circular economy, the avoidance of waste, and recycling
- The avoidance and reduction of environmental pollution
- The protection of healthy ecosystems
- Sustainable land use

– Social
- Compliance with recognised labour standards (no child labour, forced labour or discrimination)
- Compliance with employment safety and health protection
- Appropriate remuneration, fair working conditions, diversity, and training and development opportunities
- Trade union rights and freedom of assembly
- Guarantee of adequate product safety, including health protection
- Application of the same requirements to entities in the supply chain
- Inclusive projects and consideration of the interests of communities and social minorities.

- Governance
- Tax honesty
- Anti-corruption measures
- Sustainability management by the board
- Board remuneration based on sustainability criteria
- The facilitation of whistle blowing

- o Employee rights guarantees
- o Data protection guarantees
- o Information disclosure

The Company manages both undertakings for collective investments in transferable securities in accordance with the UCITS Law (the UCITS) and alternative investment funds in accordance with the AIFM Law (the AIFs).
In accordance with 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 (SFDR), Nevastar identifies and analyses sustainability risks as part of its risk management process. To the extent possible, Nevastar adopts a sustainable approach in its daily activities and investment strategies, integrating sustainability risks.
Consequent impacts to the occurrence of sustainability risk can be many and varied according to a specific risk, region or asset class. Generally, when sustainability risk occurs for an asset, there will be a negative impact and potentially a total loss of its value and therefore an impact on the net asset value of the concerned fund.
Although the Company aims in all its investment strategies to integrate ESG factors, there are different level of consideration given to sustainability risks depending on the strategy pursued which are further described in the pre-contractual documents of the funds in accordance with SFDR.

Whilst the AIFM considers sustainability risks as part of its investment management processes as outlined in its disclosure pursuant to Article 3 of the SFDR, at present, the AIFM does not consider the principal adverse impacts of its investment decisions on sustainability factors at the entity level. The AIFM does not currently consider principal adverse impacts at the entity level as the assessment of sustainability risks might be difficult to obtain, may be incomplete, estimated, out of date or otherwise materially inaccurate.

The Company assesses the negative consequences of their investment decisions as indicated by PAI indicators as part of the portfolio management process. Specific PAI indicators are subject to data availability and may evolve with improving data quality and availability.
Information on principal adverse impact factors on sustainability and governance will be made available in the annual report referred to in Article 69 of Directive 2009/65/EC pursuant to Article 11(2) of Regulation (EU) 2019/2088.

B. Our ESG products

a) Article 9 SFDR

Some of our UCITS products have sustainable investment as objective, such as NSF SICAV – Climate Change +.
As further described in the prospectus of such funds and in order to achieve these objectives, the Company relies on data services providers.

The binding elements of the investment strategy used to select the investments to attain the sustainable investment objective are:

1. The Sub-Fund's weighted GHG intensity of investee companies is equal or better than that of the Morningstar Global Markets Paris-Aligned Index, an EU Paris-aligned Benchmark under Title III, Chapter 3a, of Regulation (EU) 2016/1011. Methodology used for the calculation of the benchmark can be found:

https://indexes.morningstar.com/docs/rulebook/morningstar-global-markets-paris-aligned-benchmark-FS0000H6E3

2. The Sub-Fund's portfolio companies must be considered by Nevastar Finance to directly and/or indirectly enable activities to make a substantial contribution to an environmental objective any company involved in the research, development, manufacturing, marketing and/or distribution of goods and/or services destined to the clean energy, resource management, energy efficiency and/or sustainable mobilitiy industries.
3. The Sub-Fund fully complies with activity-based exclusions with regards to products (including controversial weapons, tobacco, palm oil, thermal coal, upstream oil and gas and high-intensity electricity producers in line with Article 12 of the Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020). This means that the Sub-fund has 0% exposure to excluded securities. The Investment Manager will follow a stock picking approach, analysing the fundamentals, valuation and liquidity of the equity securities within the investment universe employing both qualitative and quantitative techniques.
4. The Sub-fund avoids investment in companies that are in breach of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises. Companies that breach international norms will be excluded from the investment universe.

b) Article 6 SFDR

Although sustainability risks are taken into account in all Company's activities, some UCITS and AIFs managed by the Company do not per se consider ESG factors in the investment selection. The Company has identified and analysed sustainability risks for each fund based on ESG factors. Further to said analysis, the Company is of the opinion that sustainability risks and potential impacts on current portfolio of certain funds are not significant and hence will not significantly impact their returns. Therefore, at this stage, the Company considers sustainability risks to be irrelevant for said funds as currently other factors considered in the stock picking process overweigh this risk.

c) Article 8 SFDR

Some of our UCITS products have sustainable investment as objective, such as NSF SICAV – Wealth Defender Global Equity Fund and NSF SICAV – Convergence Technology Fund.
As further described in the prospectus of such funds, the investment selection generally follows three steps:

4) Principal Adverse Impact (« PAI »): PAI on sustainability factors are takin into consideration as an integral part of the investment process.
5) Activity-Based Exclusions: an exclusion list is utilized in the construction of the investment universe, and compliance of portfolio companies is monitored.
6) ESG Rating : the investment team aims for the portfolio to have a similar or better ESG rating than the Morningstar Global Market index.