

Sustainability Policy

For the purposes of the EU Sustainable Finance Disclosure Regulation (**SFDR**), Milltrust does not currently manage or advise any fund which actively promotes environmental or social characteristics or has a sustainable investment objective.

No consideration of sustainability adverse impacts

Milltrust has taken advantage of the derogation in Article 4(3)(b) of the SFDR not to consider the principal adverse impacts of its investment decisions on sustainability factors.

The nature and level of information required for a formal assessment of the principal adverse impacts as prescribed in the SFDR is not readily available, and we do not consider it appropriate in the context of the investment products that Milltrust manages or advises.

Remuneration policy

Milltrust's remuneration policy is included in the section "**Pillar 3 Disclosures**" on this website. This remuneration policy is intended, amongst other objectives, to avoid encouraging inappropriate risk taking, including ensuring that an appropriate balance exists between fixed and performance-based components of remuneration.

As none of Milltrust's products actively promote environmental or social characteristics or has a sustainable investment objective, Milltrust has not considered how this remuneration policy is consistent with the integration of sustainability risks.

Sustainability risk management

Milltrust integrates sustainability risks into its investment decision-making process, which facilitates it in assessing the extent to which such risks might impact a fund's investments and manage such risks accordingly.

Milltrust considers various factors during the initial investment appraisal phase and on an ongoing basis to identify and manage sustainability risks throughout its investment activities. This approach emphasises a full assessment of management quality, operational excellence and firm



values, and results in “quality growth” focused portfolios that monetise long-term investment themes via transparent companies, with effective management who are aligned with all stakeholders.

Milltrust employs management systems which are designed to identify, mitigate and manage sustainability risks and realise ESG opportunities as a fundamental element of a company's value. These are further described in the section headed “ESG” on this website.

Milltrust is a signatory of the United Nations-led working group the Principles of Responsible Investment (UNPRI). Milltrust's portfolio managers abide by the policies and code of the UNPRI in addition to Milltrust's internal ESG policies.

Milltrust focuses on various broad categories of responsible investment in its efforts to identify and mitigate sustainability risks which it believes could impact a fund's returns, most notably:

- Investments are screened via a range of screening tools and may be excluded based on non-financial considerations. Screenings include companies involved in: the production of or trade in any product or activity deemed illegal under applicable local or national laws or regulations, or banned by global conventions and agreements, such as certain hazardous chemicals, pesticides and wastes, ozone depleting substances and endangered or protected wildlife or wildlife products; the production of or

trade in arms, i.e. weapons, munitions or nuclear products primarily designed or primarily designated for military purposes; or production of, use of or trade in unbonded asbestos fibres.

- ESG due diligence is embedded into the Milltrust's pre-investment appraisal and further enhanced ESG screening is conducted depending on the inherent ESG characteristics which could have a material negative impact on the value of the investee company.

- Milltrust engages regularly with investee companies as part of the initial pre-investment risk assessment analysis and ongoing due diligence, which facilitates monitoring of Investments. Investee companies are encouraged to be pro-active and transparent in the management of ESG and other risks, to protect the value of the Investments. Investee companies are required or encouraged, as



applicable, to take appropriate actions to mitigate sustainability risks, for example through carrying out relevant environmental impact assessments, exclusion of forced or child labour, payment of minimum national wages, fair treatment of employees, facilitation of consultative work-place structures, upholding of high standards of business integrity and promotion of transparency and accountability grounded in sound business ethics.

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