

Bellatrix Asset Management S.A.

Sustainability Risks Policy – Website Disclosure

10 March 2021



BELLATRIX
ASSET MANAGEMENT

This document sets out the policies of **Bellatrix Asset Management S.A.** (the “**Firm**”), on the integration of sustainability in our investment decision-making process.

1. Introduction

- 1.1** Bellatrix Asset Management has implemented a Sustainability Risks Policy (the “Policy”), which sets out the Bellatrix Asset Management’s policies in respect of the integration of sustainability risks in its investment decision-making process, as required by the Sustainable Finance Disclosure Regulation (“SFDR”). This website disclosure provides a summary description of the key features of the Policy.
- 1.2** Under SFDR, “sustainability risk” means 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. The Policy therefore approaches sustainability risk from the perspective of the risk that ESG events might cause a material negative impact on the value of its clients’ investments. This policy applies as from 10 March 2021.
- 1.3** Bellatrix Asset Management recognises that the world faces growing environment, social and governance-related risks. A key part of Bellatrix Asset Management’s role as a fund management firm is to act in the best interests of its clients, and this includes appropriately taking account of how those ESG risks could impact on our clients’ investments. The Policy therefore establishes our framework to identify, measure, manage and monitor ESG risks to our clients.

2. Sustainability risk management

As part of its broader risk management processes when investing, Bellatrix Asset Management has implemented procedures to (i) identify, (ii) measure, (iii) manage and (iv) monitor sustainability risks.

(i) Identify

- 2.1** Bellatrix Asset Management has assessed the sustainability risks which are potentially likely to cause a material negative impact on the value of its clients’ investments, should those risks occur. This policy therefore approaches sustainability risk from the perspective of the risk that ESG events might cause a material negative impact on the value of our clients’ investments.

(ii) Measure

- 2.2** Bellatrix Asset Management measures sustainability risk according to two metrics. The first is likelihood of occurrence of each risk, within the typical investment horizon for Bellatrix Asset Management’s clients. The second is severity of impact to the value of a client’s investments, should the risk occur.

2.3 In measuring sustainability risk, Bellatrix Asset Management takes account of the “physical” or tangible risks of a sustainability event (for example, the impact of severe climate events leading to business disruption or losses for its investment positions). In addition, Bellatrix Asset Management also takes account of the “transition” risk, which focuses on the risk to investments as the world moves towards a more sustainable environmental and social model.

(iii) Management

2.4 The Evaluation of sustainability risk forms part of Bellatrix Asset Management’s overall risk management processes. However Bellatrix Asset Management’s does not apply any absolute risk limits or risk appetite thresholds which relate exclusively to sustainability risk as a separate category of risk.

(iv) Monitoring

2.5 Bellatrix Asset Management’s Portfolio Risk Management team conducts periodic monitoring of the existing client portfolios, to check that positions remain within sustainability risk limits, and takes corrective action if those limits are breached.

3. Status of this website disclosure

3.1 This website disclosure is published for information purposes only.

3.2 In the event of any inconsistency between this website disclosure and either (i) the Policy, or (ii) the terms of any agreement between Bellatrix Asset Management and any of its clients, such other document shall prevail.

3.3 No person should take (or refrain from taking) any action as a result of this website disclosure. To the maximum extent permitted by law, no liability is accepted by Bellatrix Asset Management in respect of this website disclosure.