

ISAM Funds (UK) Limited (“ISAM”)

ISAM ESG Policy Disclosure Statement

Introduction

Environmental Social & Governance (“ESG”) considerations and sustainable investing have developed considerably over the years and demand continues to grow, with governments, consumers, corporations and financial institutions placing increasing emphasis on them. ISAM as an international organisation is exploring opportunities to implement ESG considerations and integrate sustainability risks in our commercial and investment decision-making processes. Following recent developments in ESG regulation, in particular the European Union (“EU”) Taxonomy Regulation (“Taxonomy”) and Sustainable Finance Disclosure Regulation (“SFDR”), this ISAM ESG Policy Disclosure Statement provides a summary of how sustainability risks and sustainability factors are applicable to ISAM from an entity and product perspective.

ESG Regulation

The Taxonomy and SFDR regulation prioritise ESG concerns for financial services as it provides harmonised rules for financial market participants and financial advisers on transparency disclosure requirements in respect of ESG. ISAM is indirectly captured under the ESG regulatory requirements as a financial market participant and financial adviser as a full-scope UK non-EU alternative investment fund manager (“AIFM”) that manages and markets its financial products, the non-EU alternative investment funds (“AIF”), which are marketed in the EU pursuant to the national private placement regimes under Article 42 of the Alternative Investment Fund Managers Directive (“AIFMD”).

ISAM currently does not promote financial products that are subject to Article 8 or Article 9 of the SFDR and the investments in its financial products do not take into account the EU criteria for environmentally sustainable economic activities.

ISAM AND ESG

Our ESG Policy explains our current rationale and approach to responsible investing from a corporate perspective, and we are currently in the process of evaluating opportunities to implement enhanced ESG considerations.

Due Diligence and Investment Approach

ISAM currently does not take consider principal adverse impacts on sustainability factors and sustainability risks as part of our due diligence processes and investment decisions. This is fundamentally due to the nature of our bespoke and diversified strategies, taking account of our size, the nature and scale of our activities and the types of financial products we have made available.

ISAM Systematic Trend investment strategy is a pure quantitative, diversified managed futures trend following strategy which runs 24 hours a day on a continuous basis with trades generated automatically in response to fresh market data. ISAM Systematic Trend strategy does not trade securities of individual issuers or derivatives based on individual issuers.

ISAM Systematic Equities investment strategy is a pure quantitative strategy applied across liquid equities. The strategy uses a number of multiple statistical methodologies applied on several different datasets and publicly

available information on individual companies. The strategy is under development and ISAM is currently investigating opportunities for incorporating ESG factors in its methodology.

ISAM will continually assess ESG factors against our fiduciary responsibility to investors and clients in accordance with ESG regulations, analysing and prioritising ESG considerations which are identified as material as we grow the business.

Remuneration Policy

ISAM's remuneration policy is consistent with Article 5 of the SFDR through its application of existing relevant regulatory provisions on remuneration; ensuring remuneration practices do not encourage excessive risk-taking with respect to sustainability risks; is linked to risk-adjusted performance to encourage and achieve more transparency; and promotes sound and effective risk management to create a sustainable and responsible remuneration strategy.

Further information on ISAM's ESG Policy can be obtained by contacting ISAM's Client Relations team at: client.relations@isam.com