

Investment fund "CBL US Leaders Equity Fund"

Product name: CBL US Leaders Equity Fund

Legal entity identifier: 213800IH1LBCLDJ8PO12



The manner in which sustainability risks are integrated into investment decisions

Fundamentally the Fund seeks for investment opportunities in fast growing, profitable and high credit quality issuers. Our historical simulations of the Fund model, as well as actual history of the Fund show that although we are not deliberately using ESG criteria in our portfolio selection process, many other indicators that are used in the model result in final portfolio composition that has total ESG risk level (in accordance with the data provided by Sustainalytics) significantly below broad market average, which is the main reason why sustainability factors currently are not directly integrated into our investment decisions. We are constantly reviewing our investment model and as part of this process are also evaluating the possibility of more extensive ESG factors integration in the portfolio selection process. Although the Fund currently does not directly promote any environmental and/or social characteristics, our approach may change in the future. Currently we still avoid investments in economic sectors and companies which are clearly misaligned with the principles of sustainability, for example, we do not include into our portfolio businesses that are related to pornography, production of inhumane weapons, etc.



The results of the assessment of the likely impacts of sustainability risks on the returns of the financial products

Based on the internal materiality assessment of the risks the Company considers that the ESG risk materiality in this product is below average, and other underlying risks might have higher impact on the return of this financial product.



Considering principal adverse impacts on sustainability factors

Currently we are not considering principal adverse impacts on sustainability factors since we estimate the added value to be minimal for this product. However, The Company is closely monitoring the ongoing changes in market practices, regulation and data availability enabling systematic assessment of principal adverse impacts that investment decisions have on climate and other environment-related issues and in the field of social and employee matters, respect for human rights, anti-corruption, and anti-bribery matters. Although the Fund currently does not directly promote any environmental and/or social characteristics, our approach may change in the future. No consideration of adverse impacts of investment decisions on sustainability factors.