

onemarkets

Algebris Financial Income Fund

Website Disclosure

Version	Date	Description
1.0	2025-08-25	Initial version

WEBSITE DISCLOSURE

1. NO SUSTAINABLE INVESTMENT OBJECTIVEFUN

This financial product promotes environmental and social characteristics but does not have as its objective sustainable investments. The Sub-Fund commits itself to assure that at least 70% of the Sub-Fund's assets are aligned with E/S characteristics.

2. THE ENVIRONMENTAL AND / OR SOCIAL CHARACTERISTICS PROMOTED BY THE FUND

The environmental and/or social characteristics promoted by the Sub-Fund are:

- **Prevention of predatory lending practices**, measured through the share of revenues derived from predatory lending activities.
- **Pollution prevention and control**, measured through the amount of air pollutants in proportion to company revenue and/or the amount of inorganic pollutants in proportion to company revenues.
- **Emissions reduction**, measured through the share of investments in companies that explicitly disclose that they have either committed to setting or have set science-based targets (SBTs) in relation to decarbonisation.
- **Human rights**, measured through the share of investments in companies involved in very serious violations of human rights under the United Nations Global Compact (UNGC) and the existence of Human Rights commitments, policies and procedures at the individual investee company level.
- **Labour relations**, measured through the share of investments in companies involved in very serious violations of labour rights under the UNGC and the evolution at portfolio level of an aggregate labour practice score.

3. INVESTMENT STRATEGY

The investment objective, investment strategy and investment policy of the Sub-Fund are detailed in the Prospectus for this Sub-Fund and should be read in conjunction with the information provided in this website disclosure.

In order to attain the environmental and/or social characteristics promoted, the Investment Manager applies the following binding criteria to the selection of underlying assets as part of its investment decision making process:

1) Key ESG Concerns:

- a. No investment is allowed in companies that derive any revenues from predatory lending activities; and/or companies that have significant ownership in entities excluded under this rule.
- b. No investment is allowed in companies that derive any revenues from coal mining and/or coal power generation; and/or in companies that have a significant ownership in the entities excluded under this rule. No investment is allowed in debt or equity issued by the top global coal shareholders, bondholders, and lenders as defined in the Investment Manager's exclusion policies and procedures.
- c. No investment is allowed in companies that derive any revenues from exploration-extraction of arctic oil and/or tar sands; and/or in companies that have a significant ownership in entities excluded under this rule.
- d. No investment is allowed in companies that derive more than 40% of their revenues from the production of conventional oil & gas.
- e. No investment is allowed in companies that derive any revenues from the manufacturing of controversial weapons; and/or in companies that have a significant ownership in entities excluded under this rule. No investment is allowed in debt or equity issued by the top global investors in nuclear weapons and cluster weapons as defined in the Investment Manager's exclusion policies and procedures.
- f. No investment is allowed in companies found to be involved in very serious violations of human rights and/or labour rights under the UNGC.
- g. No investment is allowed in companies that: (i) derive any revenues from the manufacturing of tobacco product; and/or (ii) derive at least 5% of revenues from supply of tobacco-related products or services; and/or (iii) have a significant ownership in companies under (i) or (ii).

- 2) **Exclusion policies:** the Sub-Fund is subject to the Investment Manager's firm-level exclusion policy which may be found at www.algebris.com/esg/policiesand-disclosures/, including but not limited to the restrictions listed under (1). This policy results in ESG exclusion lists that are implemented in the Investment Manager's internal automated controls system, which include fully integrated pre and post-trade controls to implement and safeguard the

WEBSITE DISCLOSURE

exclusion lists. In addition, all mandatory and additional exclusion criteria of the Management Company are complied with.

- 3) **UNGC screening:** as noted above, in addition to exclusion policies, the Sub-Fund is also subject to a screening that evaluates the alignment of investee companies with the 10 Principles of the UNGC. An exclusion list of companies found in breach of the UN Global Compact is compiled by the Investment Manager, and investment in the companies on the list is not allowed.
- 4) **ESG screening:** as noted above, the Sub-Fund is subject to ESG screening, which prevents an investment being made in companies that are identified to be in the bottom 10% of the distribution of the relevant sector's ESG score. Investments in such companies are not allowed.

In addition to the Sub-Fund's Investment Manager's binding exclusion elements described above, a set of mandatory exclusions applicable to all funds and complementary exclusions applicable to funds as per EU Regulation 2019/2088 art. 8, are defined and set out in the Structured Invest's ESG Exclusion Framework, which can be found here: [Structured Invest ESG Exclusion Framework](#).

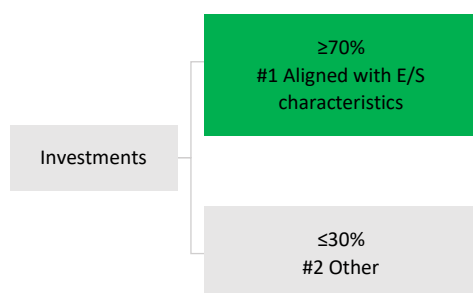
As part of the UniCredit Group, Structured Invest (SI) ensures that the Sub-Fund complies with the criteria set out in the ESG Exclusion Framework, which may be updated on an ad-hoc basis.

The Investment Manager assesses the governance practices of investee companies through a variety of scores covering various aspects of firm-level governance, sourced from external data providers in order to satisfy itself that the relevant investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. The investment team of the Investment Manager may also engage with investee companies about specific governance-related issues.

To satisfy itself that the relevant investee companies follow good governance practices (in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance) the Investment Manager monitors a number of governance related key performance indicators (KPIs) for the investee companies. These include sound management structures, employee relations, remuneration of staff and tax compliance. Data for assessing the elements above is sourced from data providers and internal research. The investment team of the Investment Manager may also engage with investee companies about specific governance-related issues – such as news items and/or the emergence of governance-related controversies.

4. PROPORTION OF INVESTMENTS

The Sub-Fund's investments are at least 70% aligned with E/S characteristics (#1 Aligned with E/S characteristics) and up to 30% are classified as Other investments (#2 Other).



5. MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

Structured Invest monitors the handling and monitoring of sustainability risks. Among the different risks deriving from ESG matters the risks for a company which arise climate change poses a significant risk to the long-term financial sustainability of a company. Therefore, a better understanding of the potential impacts of sustainability risks is in the best interest of the investors.

WEBSITE DISCLOSURE

Additionally, the Sub-Fund has defined sustainability indicators and good governance standards (see relevant sections above) that are determining the selection of the investments that contribute to the promoted environmental and social characteristics. The Management Company facilitates and independent review of respective investment restrictions deriving from the above-described investment criteria. Compliance with investment restrictions is reviewed and ensured on a daily basis.

6. METHODOLOGIES

The Investment Manager uses a number of sustainability indicators (as indicated in further detail in section “the environmental and/or social characteristics promoted by the fund”) to measure the attainment of the environmental and social characteristics promoted by the Sub-Fund. Where relevant, the data for assessing the indicators is sourced from third-party ESG data providers and internal research.

The Investment Manager takes a value-based, investor-led approach to responsible investing, recognising that capital allocation is a key lever for driving positive environmental and social outcomes. Rather than relying on formulaic or “tick-the-box” frameworks, the Investment Manager applies a clear and straightforward sustainability integration approach, grounded in meaningful data, active stewardship and sound risk management. As part of the assessment, the Investment Manager integrates:

- ESG screening, exclusions and controversy monitoring.
- Engagement and voting data.
- Thematic indicators.
- Portfolio-level sustainability scores and rankings.

For further information, please refer to the Investment Manager’s [Responsible Investment Policy](#) which outlines the principles and implementation practices in more detail.

7. DATA SOURCES AND PROCESSING

Data sources

The Investment Manager uses data sourced from internal research and, where relevant from reputable third-party ESG data providers.

Where third-party ESG data providers are utilised, the Investment Manager selects the strongest data providers for ESG data for each category of information, rather than going for a simple “one-stop-shop” solution. This ensures a diversified package of ESG data from multiple providers where coverage and quality are best in relation to the investment universe of the Sub-Fund is available.

Key third-party data providers include S&P Trucost, Clarity AI, MSCI, Sustainalytics, Bloomberg LP, and ISS. Each provider is selected for specific categories of sustainability indicators to ensure a comprehensive and complementary ESG data framework.

Measures taken to ensure data quality

The Investment Manager performs an annual review of the ESG data suite and of alternative/new available products on the market to ensure that the Manager continues to have the best available quality of ESG data.

Processing

Once ESG data is integrated into the systems, the Investment Manager conducts quality controls on an on-going basis to detect and address issues that may negatively affect data usage.

Proportion of data that are estimated

The proportion of estimated data varies between research providers and geographies.

8. LIMITATIONS TO METHODOLOGIES AND DATA

WEBSITE DISCLOSURE

The methodology and data used may be incomplete, inaccurate, stale, or unavailable (i.e., due to the data lag and/or coverage), which can result in the incorrect asset evaluation or in an unnecessary limitation to the investment strategy. Risk linked to third party providers shall be mitigated through additional internal research and assessments. Where limitations are identified, mitigations and remediation activities shall be put in place and be constantly monitored. Where mitigation and remediation actions are not sufficient to integrate and/or remediate to the limitations identified in the data or methodology the investment shall be kept on hold or avoided until reasonable assurance and further information is obtained through additional research.

9. DUE DILIGENCE

The Manager considers the principal adverse impacts (PAI) of the Sub-Fund's investments on sustainability factors: (i) prior to and at the point of investment, by conducting (to the extent possible) due diligence on any proposed investments, with at a minimum the application of ESG exclusion policies; and (ii) on an ongoing basis by monitoring the investments against any applicable mandatory and additional PAI indicators. More information is available in the periodic reporting pursuant to Article 11(2) of the SFDR.

The climate and other environmental related PAI indicators considered by the Manager in respect to all investee companies are:

- GHG emissions;
- carbon footprint;
- GHG intensity of investee companies;
- exposure to companies active in the fossil fuel sector;
- share of non-renewable energy consumption and production;
- energy consumption intensity per high impact climate sector;
- activities negatively affecting biodiversity-sensitive areas;
- emissions to water;
- hazardous waste ratio; and
- investments in companies without carbon emission reduction initiatives.

The social and employee, respect for human rights, anti-corruption and anti-bribery related PAI indicators considered by the Manager in respect to all investee companies are:

- violations of UNGC principles and OECD guidelines for multinational enterprise;
- lack of processes and companies mechanisms to monitor companies with UNGC principles and OECD guidelines for multinational enterprise;
- unadjusted gender pay gap;
- board gender diversity;
- exposure to controversial weapons; and
- lack of anti-corruption and anti-bribery policies.

10. ENGAGEMENT POLICIES

Where the Investment Manager is given the opportunity to exercise voting rights in relation to the positions held by the Sub-Fund, these are made in the best interests of the investors in the Sub-Fund after considering the long-term sustainability of the respective issuer. While abstaining can be the best option in a limited number of cases, the voting policy applicable to the Investment Manager commits it to take an active role, with sustainability being a prime consideration.

When deciding how to exercise voting rights attached to the investments made by the Sub-Fund, the Investment Manager will consider voting decisions on a case-by-case basis taking into account: (i) the likely effect on the performance of the Sub-Fund's investments; and also (ii) the long-term sustainability considerations of the issuer.

The Investment Manager is a supporter of the Say on Climate Initiative – Shareholder Voting on Climate Transition Action Plans (a shareholder voting initiative to encourage companies to publish annual disclosures of emissions and to adopt a

WEBSITE DISCLOSURE

plan to manage these emissions) (“Say on Climate”). Where companies will not do so voluntarily, the Investment Manager has formally stated in its voting policy that it will vote for and/or file annual general meeting (AGM) resolutions (whenever it has voting rights, and sufficient votes) requiring such a vote that furthers the aims of Say on Climate.

On engagement more broadly, the Investment Manager also holds an ongoing dialogue with investee companies. This is typically done in the form of calls and meetings with management, following publication of banks’ periodic results or upon presentation of their industrial plans. This direct engagement also spans ESG-relevant themes (e.g. ESG disclosures; climate transition plans; net zero targets). The Investment Manager also actively participates in several investor collective engagement initiatives (such as the Non-Disclosure Campaign led by the Carbon Disclosure Project (CDP)) and may engage with investee companies as part of these initiatives. Further details on the engagement policy can be found [here](#).

11. DESIGNATED REFERENCE BENCHMARK

The Sub-Fund does not have a reference benchmark that has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.