



NAVIGATE FUNDS SICAV P.L.C.

ESG POLICY

FEBRUARY 2026

Scope of Policy:	To set out the environmental, social and governance (“ESG”) policy (the “Policy”) of NAVIGATE FUNDS SICAVp.l.c. This policy has been adopted in accordance with the provisions of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (“SFDR”).
Policy Owners:	Board of Directors
Date of Approval:	February 2026



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1	September 2025
2	February 2026



NAVIGATE FUNDS SICAVp.l.c.

Environmental, Social and Governance Policy

1.0 Purpose and Rationale

- 1.1 The aim of this document is to set out the environmental, social and governance (“**ESG**”) policy (the “**Policy**”) of NAVIGATE FUNDS SICAV p.l.c. (the “**Company**”), a self-managed Maltese UCITS Collective Investment Scheme. This policy has been adopted in accordance with the provisions of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (“**SFDR**”).
- 1.2 The Board of Directors of the Company (the “**Board**”) is satisfied that this document is consistent with the risk-profiles, long-term business strategy, objectives, values, and interests of the Company. The Board recognises that sustainability is key to generating value for all stakeholders.
- 1.3 The Board will periodically review this document to ensure that it remains up-to-date and consistent with the Company’s regulatory obligations under applicable law and risk appetite. The Board shall be responsible for initiating and facilitating an annual review of this document and its implementation, which review shall be carried out in light of legal and business developments as well as the Company’s experiences in its implementation.
- 1.4 All changes or material exceptions to this document are to be approved by the Board, whether in relation to the annual review or otherwise.

2. Regulatory Status of the Company

- 2.1 The Company is registered under the laws of Malta as a self-managed Maltese UCITS Collective Investment Scheme.
- 2.2 As at the date of this Policy, the Company has established the sub-funds referred to in Annex I of this policy (the “**Sub-Funds**”).
- 2.3 Navigate Climate Volatility Opportunities Fund (“**NCVO**”) classifies as an Article 8 financial product in terms of the SFDR, meaning that it promotes, among other characteristics, environmental and/or social characteristics.
- 2.4 Save for NCVO, all other Sub-Funds classify as Article 6 financial products in terms of the SFDR (“**Article 6 Funds**”). These Sub-Funds do not promote, among other characteristics, environmental and/or social characteristics in a way that meet the Article 8 classification for SFDR purposes; and the Sub-Funds do not have sustainable investment as their objective in a way that meets the Article 9 classification for SFDR purposes.
- 2.5 For the purpose of a more efficient conduct of its business, ARIA Capital Management (Europe) Limited has been appointed as designated discretionary investment manager (the “**Investment Manager**”), as set out in the respective Sub-Funds’ offering supplements. The Investment Manager is responsible for the day-to-day investment management of the assets of the Sub-

Funds in accordance with the investment objectives, strategies and restrictions set out in the applicable Offering Supplement of the Sub-Funds and the rules and guidelines issued by the Investment Committee from time to time.

- 2.6 The Company shall ensure that the Investment Manager has in place an ESG policy that is consistent with this Policy and considers the ESG investment guidelines or other considerations in its investment decisions as set out in this Policy.
- 2.7 Furthermore, the Company shall ensure that the Investment Manager adheres to the same level of ESG disclosures as the Company and shall be contractually bound to provide the necessary disclosures to the Company to abide by its obligations under SFDR.

3. Regulatory Obligations

- 3.1 The Company qualifies as a Financial Market Participant in terms of the SFDR. As a result the Company is required to, *inter alia*:
 - 3.1.1 have in place policies and procedures setting out its approach to the integration of Sustainability Risks in its investment decision-making and investment advisory processes;
 - 3.1.2 disclose whether it considers principal adverse impacts on investment decisions on Sustainability Factors;
 - 3.1.3 include, in its remuneration policy, information on how said policy is consistent with the integration of Sustainability Risks;
 - 3.1.4 publish information on its website about: (i) its policies on the integration of Sustainability Risks; (ii) its position insofar as the consideration of principal adverse impacts on Sustainability Factors is concerned; and (iii) how its remuneration policy is consistent with the integration of Sustainability Risks.
- 3.2 SFDR defines ‘sustainability risk’ as an “environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment” (the “**Sustainability Risk**”).
- 3.3 SFDR defines ‘sustainability factors’ as “environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters” (the “**Sustainability Factors**”).

4. ESG Investment Guidelines

General Guidelines with respect to Article 6 Funds

- 4.1 Generally, the Company does not assess Sustainability Factors that may have investment ramifications, and which may have a material impact on the Article 6 Funds’ long-term financial performance. As a result, information on Sustainability Factors does not generally form part of the Company’s investment decision making process with respect to the Article 6 Funds.
- 4.2 Accordingly, the Company does not carry out an assessment, nor does it obtain information on Sustainability Factors in respect of the individual investments in which it invests with respect to the Article 6 Funds as the assets managed by the Company are limitedly exposed to Sustainability Risk.



Guidelines with respect to NCVO

- 4.3 However, with respect to the NCVO, the Board is charged with the promotion of awareness and understanding of ESG considerations with the investment team and to integrate due consideration of Sustainability Factors and related Sustainability Risks into their investment decision making process, engagement efforts and to share such knowledge with other officers of the Company.
- 4.4 With respect to NCVO, the intention is to promote environmental and, or social characteristics by generally investing in those businesses seeking to make a 'net positive contribution to sustainability'. In addition to promoting environmental and, or social characteristics, the NCVO partially invests in "sustainable investments" meaning investments in economic activities that contribute to environmental or social objectives, provided that the investments do not significantly harm any environmental or social objective and that the investee companies follow good governance practices. There is a commitment to allocate a minimum of 80% of investments to assets that qualify as "sustainable investments", both at the asset acquisition stage and on an ongoing basis.
- 4.5 As a result, the Company seeks to understand and identify material Sustainability Factors and related Sustainability Risks that have investment ramifications, and which can have a material impact on the investment's long-term financial performance. ESG considerations that are considered by the Company include, but are not limited to:
- i. Environmental: climate change; air/water pollution; biodiversity; deforestation; energy efficiency; carbon intensity; depletion of finite resources; and product evolution (energy-efficient products/renewable energy).
 - ii. Social: human rights; unethical supply chains; severe labour controversies; brand and reputational issues; and illegal working conditions.
 - iii. Governance: transparency & integrity; inadequate management of conflicts of interests; corporate governance failures; lack of appropriate board oversight; shareholder rights; bribery and corruption.
- 4.6 Information on Sustainability Factors is integrated in the Company's investment decision making process for all asset classes that it deals in with the aim of enhancing the financial outcome for NCVO in the form of improved risk adjusted returns.
- 4.7 The Company carries out an assessment and obtains information of Sustainability Factors in respect of the individual investments in which it invests. This is done with a view to ensuring that Sustainability Risk is identified and appropriately managed.
- 4.8 Information on Sustainability Factors and related Sustainability Risks are incorporated into the Company's investment decision-making processes at the asset selection stage when undertaking due diligence on such asset class and, where possible, assessed in terms of the potential financial impact in the long term. When undertaking the ESG analysis, the Company will seek to obtain information from a variety of sources, including, but not limited to:
- i. the target company itself;
 - ii. third party specialist data providers;

- iii. third party publications;
- iv. brokers; and
- v. academics.

The Company will ordinarily also rely on due diligence measures adopted by target companies to identify, mitigate, and report on Sustainability Risk.

- 4.9 Sustainability Risks and/or opportunities vary by country, industry, markets, as well as by characteristics specific to a target company such as size and geographical footprint. These matters are taken into consideration when undertaking the assessment of the Sustainability Factors and Sustainability Risks associated with a target investment.
- 4.10 Inadequate management of Sustainability Risk can lead to inefficiencies, operational disruption, litigation, and reputational damage. These outcomes may impact the performance of the investment and ultimately the financial returns of the Company's clients.
- 4.11 The integration of information on Sustainability Factors and Sustainability Risks into investment decision making processes enhances the Company's understanding of sectors, assets and companies and their ability to deliver sustainable, long term shareholder value.

5. Coordination between the Company and the Investment Manager

- 5.1 Information Flow Requirements: The Company has established contractual arrangements with the Investment Manager requiring:
 - i. Monthly PAI data reporting using standardised templates;
 - ii. Quarterly assessment of PAI trends and mitigation actions;
 - iii. Annual review of PAI framework effectiveness; and
 - iv. Immediate notification of significant PAI-related issues.
- 5.2 Coordination Mechanisms: The Company coordinates with the Investment Manager to ensure:
 - i. Consistent application of PAI assessment methodologies;
 - ii. Alignment of engagement priorities and stewardship activities;
 - iii. Integrated reporting of PAI data across all Sub-Funds; and
 - iv. Coherent communication of PAI considerations to investors.
- 5.3 Policy Integration: The Company adopts and oversees the ESG framework implemented by the Investment Manager, whilst maintaining Board-level oversight and strategic direction.

6. Principal Adverse Impacts

- 6.1 Principal adverse impacts ("PAI") are those impacts arising from investment decisions that have a negative, material, potentially material effect on Sustainability Factors that result from, worsen, or are directly related to investment decisions or advice.

Guidelines with respect to Article 6 Funds

- 6.2 To date, with respect to the Article 6 Sub-Funds, the Company does not consider the PAIs of investment decisions on Sustainability Factors.

Guidelines with respect to NCVO

6.3 With respect to NCVO, the Company undertakes an assessment of the PAIs of its investment decisions on Sustainability Factors as part of its investment due diligence process.

6.4 The Company ensures that PAI consideration is integrated into the investment process through:

- i. Contractual requirements for the Investment Manager to provide comprehensive PAI data;
- ii. Regular monitoring and reporting of PAI indicators;
- iii. Coordination of engagement and stewardship activities; and
- iv. Annual review of PAI framework effectiveness.

6.5 The Company adopts the PAI assessment framework which covers:

6.5.1. Mandatory PAI Indicators (Table 1 of Annex I of SFDR Delegated Regulation):

- i. Greenhouse gas (GHG) emissions (Scope 1, 2, and 3);
- ii. Carbon footprint and GHG intensity of investee companies;
- iii. Exposure to companies active in the fossil fuels sector;
- iv. Share of non-renewable energy consumption and production;
- v. Energy consumption intensity per high impact climate sector;
- vi. Activities negatively affecting biodiversity and sensitive sites;
- vii. Emissions to water;
- viii. Hazardous and radioactive waste;
- ix. Violations of UN Global Compact principles and OECD Guidelines;
- x. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact Principles and OECD Guidelines for Multinational Enterprises;
- xi. Gender pay gap and board gender diversity; and
- xii. Exposure to controversial weapons.

6.5.2. Additional PAI Indicators (Tables 2 and 3): Selected indicators including lack of anti-corruption and anti-bribery policies; and investment in companies without carbon emission reduction initiatives.

6.6 The Company shall, or the Investment Manager shall on its behalf, carry out the following:

- i. Active engagement with investee companies on material sustainability issues;
- ii. Use of proxy voting rights to influence ESG-related decisions;
- iii. Application of exclusion criteria for companies with high and unmanaged Sustainability Risks;
- iv. Integration of Sustainability Factors into investment analysis and decision-making; and
- v. Escalation strategies for persistent PAI-related concerns.

6.7 The Company ensures alignment with internationally recognised standards including:

- i. UN Global Compact Principles;
- ii. OECD Guidelines for Multinational Enterprises;
- iii. UN Guiding Principles on Business and Human Rights;

- iv. International Labour Organization Conventions;
- v. Controversial weapons conventions.

- 6.8 Where the PAI cannot possibly be determined due to insufficient disclosure or lack of tangible data, the Company will actively engage with the target company in question and should no commitment be made by the latter to mitigate the PAI, this matter will be factored into the decision-making process.
- 6.9 The Company shall disclose on its website a statement on the due diligence process in respect identified PAI arising from the Company's investment decisions.

7. ESG Investment Procedures

- 7.1 The Company, or the Investment Manager on its behalf, adopts various approaches in the inclusion of information on Sustainability Factors in its investment decision making process, where applicable, with a view to managing the related Sustainability Risks. These include:
- i. ESG Screening; and
 - ii. ESG Integration.

ESG Screening: Negative Screening

- 7.2 The Company, or the Investment Manager on its behalf, recognises that certain industries and countries with weak environmental or governance structures present additional business risks for prospective investee companies. As part of the diligence process it will be aware of where and how such risks exist. If such activities change the Company's risk perception of an industry or company, it may preclude an investment.
- 7.3 Where Sustainability risk is considered high, the Company will ensure that additional due diligence is conducted to understand the drivers, and consider (i) whether these deficiencies represent a material risk to the investment case and (ii) whether the management team have a credible strategy to improve in key areas.
- 7.4 The scope of the above restrictions is reviewed on a regular basis and the ESG Policy shall be updated accordingly should this be required.

ESG Screening: Positive Screening

- 7.5 The Company, or the Investment Manager on its behalf, also screens target companies/products that promote and provide solutions that are consistent with Sustainability Factors and aims at including such products in the portfolios managed by the Company. The Company will also positively recommend such products on an on-going basis, where applicable.

ESG Integration

- 7.6 With respect to NCVO, the Company, or the Investment Manager on its behalf, integrates information on Sustainability Factors in its investment strategy, whereby Sustainability Risks are considered in the broader investment process and analyses across the asset classes and ultimately in the investment decisions/ investment recommendations undertaken by the

Investment Manager and monitored by the Investment Committee through its evaluation of NCVO's Sustainability Risks and Sustainability Factors.

- 7.7 When assessing a target company, the Company, or the Investment Manager on its behalf, shall take into account the extent to which the target company:
- i. embeds responsible business conduct not its policies;
 - ii. identifies and assesses adverse impacts in operations, supply chains and business relationships;
 - iii. prevents or mitigates adverse impacts on Sustainability Factors;
 - iv. tracks and implements enhancements to its processes; and
 - v. communicates how adverse impacts are assessed

In this respect, the Company, or the Investment Manager on its behalf, assesses the extent to which the target companies follows the principles set out in the OECD Due Diligence Guidance for Responsible Business Conduct. The objective of the OECD Due Diligence Guidance for Responsible Business Conduct is to *"...provide practical support to enterprises on the implementation of the OECD Guidelines for Multinational Enterprises by providing plain language explanations of its due diligence recommendations and associated provisions. Implementing these recommendations helps enterprises avoid and address adverse impacts related to workers, human rights, the environment, bribery, consumers and corporate governance that may be associated with their operations, supply chains and other business relationships...."*

- 7.8 The Company, or the Investment Manager on its behalf, adopts a pragmatic approach whereby information on Sustainability Factors is integrated into established investment assessment processes. The Company does not have separate ESG focused processes. With investments spanning over various asset classes, jurisdictions, sectors, and markets, the Company takes into account legal and cultural differences in different markets. Thus, the ESG analysis is sensitive to the individual situation pertaining to each target company in terms of the local norms, laws, regulation, and expectations of the market in which it operates, account being taken of NCVO's investment policies.
- 7.9 The Company, or the Investment Manager on its behalf, does not automatically exclude investments in products/ target companies purely on ESG grounds where such Sustainability Risks do not necessarily pose a material financial risk to NCVO in the long term. The purpose of integrating information on Sustainability Factors and related Sustainability Risks in the investment decision making process is to enhance risk-adjusted returns rather than apply blanket exclusions. The investment decision-making process takes into consideration multiple factors and risks, with Sustainability Factors being one component of the overall assessment framework implemented.

8. Remuneration in relation to Sustainability Risks

- 8.1 Pursuant to Article 5 of the SFDR, the Company must include in its remuneration policy information on how said policies are consistent with the integration of Sustainability Risks.
- 8.2 The Company must ensure that its remuneration policy does not create incentives or bias towards excessive risk taking or violating applicable laws and regulations, which could have a



material impact on Sustainability Factors. Additionally, the Company must not create incentives that could lead to any conflicts of interest.

- 8.3 The Company's remuneration structure has been designed to: (i) align the Company's incentives with clients' long-term interests and the long-term success of the managed portfolios; and (ii) to promote a sound and effective risk management culture to protect value.
- 8.4 The Company views its remuneration policy to be consistent with the integration of Sustainability Risks. Information on how the Company's remuneration policy is consistent with the integration of Sustainability Risks shall be published on the Company's website.

9. Website Disclosures

- 9.1 Any website disclosures that the Company is required to make in terms of the SFDR and any changes thereto, shall be in line with this Policy and other relevant policies of the Company and shall require the prior approval of the Board.

10. Escalation

- 10.1 In the event of a breach of this Policy, the following steps shall be taken: (a) the compliance officer and the risk manager of the Company shall be informed (unless they are the ones discovering the breach); and (b) the Board shall be informed.
- 10.2 Depending on the circumstance of the case, the Board will take such remedial action as it deems appropriate in the circumstances which may include changing/improving the processes set out in this Policy and commissioning focussed training for officials to mitigate the risk of a repetition of that breach.

11. Training

- 11.1 The Company shall use its best endeavours to ensure that the Board and relevant officers, to whom these procedures are relevant, undertake training of sufficient time and quality, on a regular basis – as well as on a needs basis – to help maintain their knowledge and expertise and to further support their understanding of the processes set out in this Policy.

12. Review of this policy.

- 12.1 This document shall be reviewed by the Board periodically. Any changes to this document shall be approved by the Board.



Annex I – Sub-Funds of the Company

At the date hereof the Company constituted the following Sub-Fund/s:

- (i) Alpha Predictor® Multi Asset Balanced Fund;
- (ii) Alpha Predictor® Multi Asset Defensive Fund;
- (iii) Alpha Predictor® Multi Asset Dynamic Growth Fund;
- (iv) Navigate Climate Volatility Opportunities Fund; and
- (v) Navigate Income Fund.