

Frontclear

Frontclear Management B.V. (the “Manager” or “FCM”) is the fund manager of the Frontier Clearing Funds (the “FCF”, funds for joint account under Dutch law and classified as AIF) and the manager and statutory director of Frontier Clearing Corporation B.V (“FCC”, a limited liability company under Dutch law not classified as an AIF). The mandate of the FCF is limited solely to investments in notes issued by FCC. The Manager, the FCF and FCC are together referred to as “Frontclear”. The Manager is registered as an exempted Alternative Investment Fund Manager with the Dutch Authority for the Financial Markets (*Autoriteit Financiële Markten*, AFM).

The FCF are not promoted as products that (i) promote environmental or social characteristics (Article 8 SFDR) or (ii) have sustainable investment as their objective (Article 9 SFDR). They are therefore treated as Article 6 SFDR products.

FCF - Sustainability Risks (Article 3 & 6 SFDR)

The investments of FCF into notes issued by FCC are mandatory as per the Terms and Conditions of the funds, and therefore sustainability risks are not a relevant consideration in the Manager’s investment decision-making process. Sustainability risks are not expected to have a material impact on the returns of the FCF.

FCF - Principal Adverse Impacts (Article 4 SFDR)

Given the nature, scale and limited scope of the Manager’s activities in relation to the FCF, the Manager does not consider principal adverse impacts (“PAIs”) of investment decisions on sustainability factors at this time.

FCF - Principal Adverse Impacts – Product level (SFDR Article 7)

In line with the above, for the FCF the Manager confirms that it does not consider PAIs of investment decisions on sustainability factors, given the mandatory nature of the FCF’s investments in FCC notes.

FCC - Sustainability Approach

FCC provides guarantees on interbank transactions and intermediates access to funding for financial institutions based in emerging markets and developing countries. FCC assesses environmental and social risks as part of customer due diligence, excludes counterparties with significant sustainability risks and without adequate environmental and social management systems, and applies the Harmonized EDFI Exclusion List.

The Manager - Remuneration Policy (Article 5 SFDR)

The Manager’s remuneration policy is consistent with sound and effective risk management for the FCF and FCC. Remuneration is not linked to the integration of sustainability risks for the FCF nor does it encourage excessive risk-taking with respect to such risks.