

## SFDR Website Product Disclosure

# Espiria 90

# Article 8

## Summary

This Sustainability Related Disclosure concerns Espiria 90 (“the Fund”). It is prepared in accordance with Regulation (EU) 2019/2088 on Sustainability Related Disclosures in the Finance Sector (“the SFDR”). This Disclosure is compiled as of 31 December 2022. The following text is a summary of all the information contained in the different sections of the disclosure.

### **No sustainable investment objective**

This financial product promotes environmental or social characteristics, but does not have sustainable investment as its objective. We ensure that investments do not cause significant harm through our proprietary Espiria Quality and Sustainability Score (EQSS) analysis (including consideration of principal adverse impact indicators), norms-based (controversy) screening, and sector-based screening, which are all also part of the “Three-Step-Test” for defining sustainable investments.

### **Environmental or social characteristics of the financial product**

The Fund’s investment objective is to achieve significant capital appreciation over the long term. By adopting a sustainability integrated investment process, the Fund also aims to promote environmental and social characteristics, including ensuring net zero alignment, reducing biodiversity risks, improving board diversity and strengthening alignment with the United Nations Sustainable Development Goals (UN SDGs).

### **Investment strategy**

The investment strategy of the Fund is focused on quality companies exposed to structural trends led by innovation and sustainability. To ensure the attainment of the environmental and social characteristics that are promoted by the Fund, we have implemented a proprietary quality assessment framework for all Espiria holdings, referred to as the Espiria Quality and Sustainability Score (EQSS). The EQSS Sustainability section covers the sustainability related binding elements for the Fund. We have also developed a “Three-Step-Test” to assess whether an investment is classified as sustainable. The Test is based on the definition of sustainable investments in Article 2(17) of Regulation (EU) 2019/2088, and uses proprietary tools, predominantly based on in house research and primary company data.

We rely on the Red Flag Analysis within the EQSS framework to assess good governance practices, including high level of management integrity, board independence and diversity, accounting quality, sustainability report transparency and no recurring significant governance controversies.

### **Proportion of investments**

A minimum proportion of total investments are classified as “Sustainable” in the “Three-Step-Test”, in accordance with the binding elements of the investment strategy. We consider ESG related risks for all investments and implement minimum safeguards (including sector-based and norms-based screening, and risk thresholds in the Red Flag analysis).

### **Monitoring of environmental or social characteristics**

Following investment, we monitor how our holdings (and hence the Fund) promote the intended environmental and social characteristics by updating our proprietary EQSS framework and impact assessment tool when new information has come to the attention of the investment team, for example when a company updates its sustainability disclosures, when there are news about the company, or when we have meetings with the management of the company or other stakeholders. Furthermore, the portfolio is annually reviewed by the investment management team to confirm compliance with the sector-based exclusion criteria. The portfolio is also reviewed quarterly by the ESG team on several metrics and aspects, and the results are reported to the Board and to the Investment Committee.

## **Methodologies**

To ensure the attainment of the environmental and social characteristics that are promoted by the Fund, several sustainability indicators are selected and assessed at the holding level. Following the Espiria Quality and Sustainability Score (EQSS) framework, 3 indicators are scored at scale of 1-5 by the investment team, and 1 indicator (alignment with UN SDGs) is binary. The indicators are Net Zero Alignment, Low Biodiversity Risk, Board Diversity, and Alignment with the UN SDGs.

## **Data sources and processing**

We adopt a combination of primary data collection by our own team and the use of service providers to collect data at scale. We rely mainly on primary source of data deemed relevant and material to assess the promotion of environmental and social characteristics. Such data are often disclosed by the investee companies themselves. The data may be processed in multiple ways, for analysis purposes mainly.

## **Limitations to methodologies and data**

The primary limitation to the methodology lies with that of a scorecard methodology. In a scorecard assessment, there could be an inherent level of subjectivity. There could also be a question regarding to what extent a numerical assessment captures the real-world effect. We seek to mitigate such limitations mainly by providing clear definitions of the topics and indicators within the EQSS framework, as well as scoring guidelines. We also take notice to the fact that data quality and inconsistency exists with all data service providers. We actively engage with both service providers and companies to improve the data quality and consistency.

## **Due diligence**

Espiria incorporates the sustainability aspects of the investment strategies into adequate investment due-diligence processes and procedures for the selection and monitoring of investments, amongst others considering sustainability risk and the Fund's risk appetite.

The Investment Committee and Board of Directors receive risk reports on a quarterly basis with the inclusion of sustainability risks.

## **Engagement policies**

There are several issues that we address as owners, including but not limited to: equitable treatment of all shareholders, compliance with international conventions and norms, board and management quality, capital issues, communication and disclosure practices, reporting and auditing, environmental and social risks and opportunities, and unethical business practices. We aim to be constructive and supportive in our dialogue with portfolio holdings. We have an Active Ownership Policy available on our website, which clearly sets out our approach towards active ownership.

## **Designated reference benchmark**

No specific index has been designated as a reference benchmark for the purpose of attaining environmental or social characteristics.

## No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

### Principal adverse impacts

Principal adverse impacts (PAI) indicators are considered by the Fund. Upon a new investment, the investment team checks and confirms the status of new holdings in regard to norms and controversies. This norms-based (controversy) screening covers PAI indicators such as: violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises, or lack of processes and compliance mechanisms to monitor compliance with those regulations, and exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons).

Furthermore, all 14 mandatory PAI indicators, as stated in Annex I of Regulation (EU) 2018/2088, are assessed at holding level to the extent that data is available, in both absolute terms as well as in comparison with industry peers, as part of the investment process and the holistic assessment of company quality. The team reviews the most up to date PAI data extracted from service providers' databases and ensures that selected investments are not outliers in any of their actual PAI performances.

Following the requirements of Regulation (EU) 2019/2088, and the information to be disclosed pursuant to Article 11(2) of that Regulation, East Capital Group, of which Espiria is a part, will publish the information on principal adverse impacts on sustainability factors in the annual report referred to in Article 69 of Directive 2009/65/EC in due time according to the regulatory requirements.

### Alignment with international norms

As part of the controversy (norms-based) screening, we assess companies in terms of compliance with international norms, standards and underlying conventions. The controversy (norms-based) screening is intended to capture severe, systemic and structural violations of international norms as enshrined by the UN Global Compact Principles. The assessments are underpinned by references to the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, as well as their underlying conventions.

Upon new investment, the investment team shall check and confirm the status of the new holding in regard to norms and controversies. The Fund's portfolio is also checked quarterly by our Group's ESG function, which highlights any company on the Watchlist or assessed as Non-compliant. This review is based on the results in the norms-based screening, information that has been publicly disclosed by issuers, as well as other relevant information that may have come to our attention by the time of the review.

According to our "Three-Step-Test" for classifying investments as sustainable, based on the definition of sustainable investments in Article 2(17) of Regulation (EU) 2019/2088, holdings that are classified as sustainable investments must not be assessed as Non-Compliant in the norms-based screening.

## Environmental or social characteristics of the financial product

### The environmental and social characteristics promoted

The Fund's investment objective is to achieve significant capital appreciation over the long term. By adopting a sustainability integrated investment process, the Fund also aims to promote environmental and social characteristics, including ensuring net zero alignment, reducing biodiversity risks, improving board diversity and strengthening alignment with the United Nations Sustainable Development Goals (UN SDGs).

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

### Sustainability indicators

We have implemented a proprietary sustainability integrated framework, the Espiria Quality & Sustainability Score (EQSS), to assess the quality and sustainability profile of each company at the holding level. The EQSS framework consists of five segments, Leadership, Market Growth & Opportunities, Business Strength & Resilience, Fundamentals and Sustainability, where each segment has multiple sub-topics that are scored 1 to 5. A higher (better) score will support a higher portfolio weight, all else equal. As ESG characteristics are included in all key segments of the framework, we are in this way actively promoting holdings with stronger environmental and/or social characteristics and sustainability footprint.

In addition to the EQSS framework, we have selected four sustainability indicators to further measure and promote environmental and social characteristics. None of these are mutually exclusive, and each holding may promote both E and S characteristics.

- *Net Zero Alignment (E) – Limit global warming to 1.5 degrees Celsius by achieving net zero emission by 2050 or sooner.* Espiria is part of the Net Zero Asset Managers initiative, a global international group of asset managers that commit to support the goal of net zero greenhouse gas (GHG) emissions by 2050, in line with global efforts to limit warming to 1.5°C ("net zero emissions by 2050 or sooner"). Through this commitment, Espiria sets portfolio decarbonisation targets by which there is a target to achieve a 50% reduction in weighted average carbon intensity by 2030. We will engage with companies that are not aligned to promote environmental characteristics within this topic.
- *Low biodiversity risk (E) – Protect and restore biodiversity and ecosystems.* Espiria maps deforestation risks, conducts analysis on all relevant holdings, and engages with companies to drive the progress towards a nature-positive economy. As a member a member of Finance Sector Deforestation Action (FSDA), we collaborate with other financial investors and institutions promote environmental characteristics within this topic.
- *Board diversity (S) – Promote gender diversity on board level.* We believe that diversified boards reduce ESG related risks and drive long-term financial returns. A board is deemed as diversified when the share of the minority gender exceeds 30% and will engage and/or actively vote against new board members when this criterion is not fulfilled to promote social characteristics within this topic.
- *Alignment with UN SDGs (E/S) – Companies with their offering of products and services directly contributing to one or several of the UN's Sustainable Development Goals (SDGs).* Espiria applies a proprietary framework to assess and identify companies that contribute to one or several of the UN's Sustainable Development Goals (UN SDGs) in their offering of products and services. If contribution, as measured via revenue, capital expenditure, operating expenditure and/or research and development linked to the UN SDGs, is material and exceeds 20%, and the investment further meets impact-related measures and can be tied to an investible UN SDG target, the investment is considered as "Aligned with UN SDGs". Each UN SDG target can be categorised as either an environmental or a social objective, depending on whether the expected positive impact primarily relates to environmental or social outcomes.

### The objectives of the sustainable investments

In addition to the objective of the Fund to achieve significant capital appreciation, the Fund also intends to achieve the following objectives with its sustainable investments:

- *Environmental objectives*, such as improved energy efficiency, increased use of renewable energy, reduced greenhouse gas emissions, and the promotion of a circular economy, as outlined in Article 2(17) of Regulation (EU) 2019/2088,
- *Social objectives*, such as tackling inequality, fostering social cohesion, social interaction and labour relations, or investments in human capital or economically or socially disadvantaged communities, as outlined in Article 2(17) of Regulation (EU) 2019/2088,
- *Other environmental and social objectives*, as outlined in the UN's Sustainable Development Goals (SDGs).

The sustainable investments contribute to the environmental and social objectives by directly addressing any of the objectives in their operations, by enabling such activities through their goods and services, or by themselves being part of the transition through changing their practices and policies (for example, by reducing greenhouse gas emissions).

Investments are classified as sustainable investments by meeting all criteria in the "Three-Step-Test", which is based on the definition of sustainable investments in Article 2(17) of Regulation (EU) 2019/2088 and is outlined in detail under the section on binding elements of the investment strategy.

## Investment strategy

### **Investment strategy used to meet the environmental or social characteristics promoted by the financial product**

The Fund's investment objective is to achieve significant capital appreciation over the long term through equity investments. The investment strategy of the Fund is focused on quality companies exposed to structural trends led by innovation and sustainability. We select investments based on an active and primarily bottom-up approach, including an assessment of each company's (or issuer's) quality and sustainability profile through the EQSS framework (outlined below).

### **Binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product**

#### **1. The EQSS Framework**

To ensure the attainment of the environmental and social characteristics that are promoted by the Fund, we have implemented a proprietary quality assessment framework for all Espiria strategies, referred to as the Espiria Quality and Sustainability Score (EQSS). The EQSS Sustainability section covers the sustainability related binding elements for the Fund, which include the following:

- *Identify alignment to Net Zero climate targets*, as part of Espiria's commitment as a Net Zero Asset Managers (NZAM) signatory.
- *Evaluate EQSS Red Flags*, including biodiversity risks and lacking board gender diversity.
- *Ensure minimum environmental or social safeguards*; the Fund will not invest in new holdings which are deemed Non-Compliant in the norms-based screening and will divest from Non-Compliant companies if the breach is based on events that occurred after the time of the first investment (or information about the events has been made available thereafter) and the company is not deemed as having taken or taking adequate measures.

- *Have sector exclusions*, the Fund will not invest in companies that derive more than 5% of their revenues from weapons, fossil fuels, pornography, gambling, alcohol or tobacco.
- *Have a minimum proportion of AUM classified as “Sustainable Investments”*, following the “Three-Step-Test” process (outlined below).

For investments where the EQSS Sustainability assessment identifies laggards in relation to the Fund’s sustainability indicators, an engagement will be initiated and will proceed with the company’s management until the issue(s) is (are) solved.

## **2. Minimum proportion of sustainable investments**

We have committed to ensuring a minimum proportion of 10% sustainable investments in the Sub-Fund portfolio. While the EQSS framework is the primary framework used by the investment team for assessing company quality, including sustainability related factors, we have also developed a “Three-Step-Test”, based on the definition of sustainable investments in Article 2(17) in Regulation (EU) 2019/2088<sup>1</sup>, to test if an investment should be classified as sustainable or not. To be classified as a “Sustainable Investment”, the investment should pass each of the below outlined steps. We are planning on further integrating the EQSS framework with this test over time.

### **Three-Step-Test for Sustainable Investments**

#### *Step 1: Significant contribution to E/S objective(s)*

Companies which contribute to one or several of the UN SDGs in their offering of products, services, and technologies. Contribution will be measured via revenue, capital expenditure, operating expenditure and/or research and development linked to the UN SDGs and should exceed 20%.

Or

*Bonds* that are Sustainability Linked or where the use of proceeds contribute to environmental or social objectives, and where the bond follow the respective bond principles and guidance issued by International Capital Market Association (ICMA) and are verified by a third party.

- *Green Bonds*: enable capital-raising and investment for new and existing projects with environmental benefits.

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<sup>1</sup> **Sustainable investment**, as defined in Article 2(17) in Regulation (EU) 2019/2088, means an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

- **Social Bonds:** use of proceeds bonds that raise funds for new and existing projects with positive social outcomes. For example, build-out of telecom infrastructure in developing markets, microfinancing to under-banked population such as women in low income countries
- **Sustainability Bonds:** proceeds will be exclusively applied to finance or re-finance a combination of both green and social projects.
- **Sustainability-Linked Bonds:** funding and encouraging companies that contribute to sustainability (from an environmental and/or social and/or governance perspective).

*Step 2: No significant harm to other E/S objectives*

The investment should not have any Red Flags (RFs) related to environmental or social controversies; the Red Flag Analysis also requires consideration of principal adverse impacts (PAI). The investment must be compliant in the controversy (norm-based) and the sector-based screening.

*Step 3: Good governance practices*

The investment should not have more than 2 Red Flags related to governance issues.

**The policy to assess good governance practices of the investee companies**

We rely on the Red Flag Analysis within the EQSS framework to assess good governance practices, including high level of management integrity, board independence and diversity, accounting quality, sustainability report transparency and no recurring significant governance controversies.

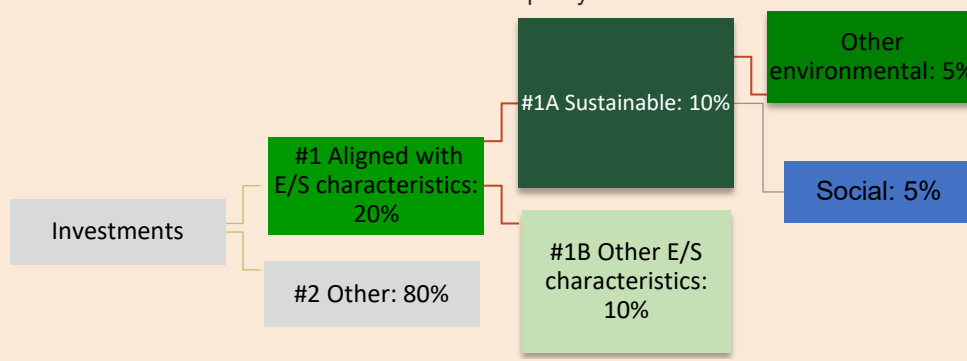
## Proportion of investments

**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.





The Sub-Fund is invested in global equities and fixed income with a focus on Nordic corporate bonds. While the Fund does not have sustainable investments as its objective, the Fund seeks to promote environmental or social characteristics, or a combination of those, provided that the companies in which the investments are made follow good governance practices. The Fund only has direct exposures in investee entities.

A minimum of 10% of total AUM will be classified as “#1A Sustainable”, i.e., compliant with all three criteria in the “Three-Step-Test” for sustainable investments, outlined in the section on binding elements above. We strive for a balanced distribution between environmental and social objectives for sustainable investments, since the UN SDGs address both of these factors and we believe that both environmental and social characteristics must be promoted in order to achieve long term sustainable development. As such, the minimum proportion of investments that promote environmental characteristics or social characteristics are, respectively, 5%.

We define “#1B Other E/S characteristics” as companies which do not currently meet the criteria for sustainable investments (the “Three-Step-Test”), but are still aligned with the E/S characteristics that the Fund promotes. For example, these are companies that we believe have a reasonable chance of meeting the criteria in the next few years, partly through our individual and collaborative active ownership efforts.

There are two main purposes of investments included under “#2 Other”:

- The Fund generally maintains a varied level of *cash allocation* in order to manage necessary fund liquidity.
- The Fund may consider certain investments with a *compelling investment rationale* that are not aligned with the environmental or social characteristics the Fund promotes. We do consider various ESG related risks that such companies are exposed to, and favour companies that effectively manage ESG related risks.

All investments must fulfil the minimum environmental or social safeguards criteria covered by the EQSS framework, as described above. For example, no investments will be made into certain sectors, and no new investments will be made into holdings deemed Non-Compliant in the controversy (norms-based) screening.

## Monitoring of environmental or social characteristics

Following investment, we monitor how our holdings (and hence the Fund) promote the intended environmental and social characteristics by updating our proprietary EQSS framework and impact assessment tool when new information has come to the attention of the investment team, for example when a company updates its sustainability disclosures, when there are news about the company, or when we have meetings with the company’s management and other stakeholders.

Furthermore, the portfolio is annually reviewed by the investment management team to confirm compliance with the sector-based and norms-based exclusion criteria. The portfolio is reviewed quarterly by the ESG team, and the results are reported to the Board and to the Investment Committee. The quarterly review includes measurements of the proportion of sustainable investments and the proportion of investments that are aligned with other environmental or social characteristics, as to ensure compliance with the minimum proportion of sustainable investments.

## Methodologies for environmental or social characteristics

To ensure the attainment of the environmental and social characteristics that are promoted by the Fund, several sustainability indicators are selected and assessed at the holding level. Following the Espiria Quality and

Sustainability Score (EQSS) framework, 3 indicators are scored at scale of 1-5 by the investment team, and 1 indicator (alignment with UN SDGs) is binary.

<b>E/S Characteristics Promoted</b>	<b>Sustainability Indicator/Score</b>
<i>Net Zero Alignment (E)</i>	To what extent the company fulfils the criteria under Net Zero Asset Manager Initiative guidelines set by IIGCC
<i>Low biodiversity risk (E)</i>	To what extent the company's activities negatively affect biodiversity-sensitive areas
<i>Board diversity (S)</i>	% of female board members
<i>Alignment with UN SDGs (E/S)</i>	Is the company assessed to be an UN SDG Solution company, following Espiria Impact Assessment methodology

## Data sources and processing

### Data sources used to attain the sustainable investment objective of the financial product

We adopt a combination of primary data collection by our own team and the use of service providers to collect data at scale. We rely mainly on primary source of data deemed relevant and material to the sustainable investment objective, often disclosed by the investee companies. The following data sources are used:

- The Fund's sustainability indicators at holding level are collected and processed by the investment team from a range of publicly available primary data sources, such as company's sustainability reports, financial reports, proxy statements, company website and press releases, white papers, and may be estimated given lack of corporate disclosure.
- Estimates will only be used when primary data are missing and when the estimates are based on a credible and broadly recognised methodology.
- The Fund's carbon footprint is calculated based on third party service providers datasets
- The norms-based screening process uses services from Sustainalytics.
- The "do no significant harm" and "good governance practices" assessments are based on internal processes.

### Measures taken to ensure data quality

We recognise the potential for data quality and inconsistency issues in ESG datasets at the holding level. To address these concerns, we carefully review and analyse the data to identify any potential deficiencies. Additionally, we proactively engage with both companies and service providers to improve the quality and consistency of the data.

### How data are processed

The data may be processed in multiple ways, for analysis purposes mainly. For example, primary sourced data may be used directly or to derive secondary indicators. Furthermore, calculations may be made for comparison purposes with peers or with industry average.

### **The proportion of data that are estimated**

Since our sustainability and impact analysis are mainly based on primary data sources rather than estimates, which are only used given that certain conditions are fulfilled (described above), we do not find it not meaningful nor accurate to provide an estimated data proportion.

## Limitations to methodologies and data

### **Methodology and Data Availability Limitation**

The primary limitation to the methodology lies with that of a scorecard methodology. In a scorecard assessment, there could be an inherent level of subjectivity, depending on individual's interpretation of each indicator and their judgement. There could also be a question regarding to what extent a numerical assessment captures the real-world effect. We seek to mitigate such limitations mainly by providing clear definitions of the topics and indicators within the EQSS framework, as well as scoring guidelines. Apart from scores, qualitative information and supplementary notes are also included in the assessment as supportive evidence to the scores.

Like many other financial market participants, we may not be able to identify all information related to the sustainability indicators (including principal adverse indicators). We expect the corporate sustainability reporting to improve gradually as disclosure related regulations increasingly become implemented, for example the anticipated introduction of the Corporate Sustainability Reporting Directive (CSRD).

### **Data Quality Limitation**

We have identified that there are issues with data quality and inconsistency in both company disclosures and among data service providers. For example, some service providers may combine primary data with estimates, present data that are not comparable in scope, or make errors in data collection. Similarly, there are still many gaps in the data disclosed by companies. To address these issues, we actively work with both companies and service providers to improve the quality and consistency of the data.

## Due diligence

Espiria has incorporated the sustainability aspects of the investment strategies into adequate investment due-diligence processes and procedures for the selection and monitoring of investments, amongst others considering sustainability risk and the Fund's risk appetite.

Generally, our integrated investment due diligence is carried out through a combination of various means, including desk research, company meetings and calls, on-site visits and conferences. The focus is on understanding companies' underlying fundamentals, business strength and outlook, including the absolute and relative sustainability performance related to topics covered by our EQSS framework and impact assessment tool.

The Fund's sustainability risks, including external ESG risk ratings, as well as carbon footprints are regularly monitored by the Risk Management Team. The Management and Board of Directors receive risk reports regularly with the inclusion of sustainability risks.

## Engagement policies

We consider good corporate governance as well as environmentally and socially responsible behaviour as essential in managing a company with the aim of maximising long-term shareholder value. There are several issues that we address as owners, including but not limited to: equitable treatment of all shareholders, compliance

with international conventions and norms, board and management quality, capital issues, communication and disclosure practices, reporting and auditing, environmental and social risks and opportunities, and unethical business practices.

For investments where we identify areas of improvement on specific ESG issues, or if we believe that a portfolio company has not met our expectations as owners, including in the case of sustainability-related controversies, an engagement will be initiated and will proceed with the company's management until the issue(s) is (are) solved. We aim to be constructive and supportive in our dialogue with the companies. Our experience has shown that engaging with the company, either directly or collectively with other owners, usually generates greater positive effects as opposed to immediately exiting our investment. If the company does not respond in an adequate manner or undertake the necessary changes, however, we may ultimately decide to divest our holding in the company.

We apply a range of methods to address ESG and sustainability issues in portfolio companies, including but not limited to:

- Face-to-face discussions with managements and boards in company visits,
- Letters addressed to the management of our portfolio companies, highlighting key issues of concern including explicit requests for additional information,
- Annual "CIO to CEO Letter",
- Nomination or endorsement of independent board members,
- Voting in shareholders' meetings,
- Dialogue with companies in conjunction with shareholders' meetings,
- Collaboration with other shareholders and investor-led initiatives,

Engagement activities are logged and managed through a SaaS platform, communicated in relevant forums where applicable and in client-due diligence requests in particular. For more information on our engagement policies, please see our [Active Ownership Policy](#).

## Designated reference benchmark

Since the Fund relies on the Espiria Impact Assessment (EIA) and Espiria Quality & Sustainable Score (EQSS) frameworks to attain the sustainable investment objectives, no specific index is designated as a reference benchmark to assess the alignment with the environmental and/or social characteristics that the Fund promotes.