

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: [ELEVA Absolute Return Europe Fund](#)

Legal entity identifier: [213800FQB3SJZEYKX79](#)

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes

It made **sustainable investments with an environmental objective**: ___%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective**: ___%

No

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **27%** of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

ELEVA Absolute Return Europe Fund (the "Sub-Fund") promoted a combination of environmental, social and governance ("ESG") characteristics by investing, on a long basis in companies with good ESG practices (i.e best in universe) or companies that are on an improving path regarding ESG practices (i.e best efforts) while excluding companies that would not have a minimum ESG rating (40/100). At the same time, the Sub-Fund does not short any company with excellent ESG practices (i.e with an ESG score > 80 /100).

Investments in equities and equity related products (e.g. CFD single name) on both long and short side as well as corporate bonds on a long basis apply the Management Company's exclusion policy, i.e.:

- Norm based exclusions: companies having violated ILO (International Labour Organisation) Conventions, or one of the UN guiding principles on Business and Human Rights, or one of the UN Global Compact principles, or one of the OECD Guidelines For Multinational Enterprises.

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- Sector based exclusions: companies involved in the sector (including production or distribution) of controversial weapons (0% of sales threshold), of tobacco (5% of sales threshold) and of nuclear weapons (5% of sales threshold). The Sub-fund also applies ELEVA Capital's coal policy, available on ELEVA Capital website.

As of 30/12/2022, the Sub-fund did not maintain any long or short position not in line with the above-mentioned exclusions.

- The long invested pocket of the ELEVA Absolute Return Europe Fund must have a weighted average ESG score superior to the average ESG score of its initial investment universe.
- A minimum ESG score of 40/100 is required for each company to enter the portfolio on a long basis. This 40/100 threshold also applies to sovereign issuers and listed corporate bond issuers. At the same time, the Sub-Fund does not short any company with excellent ESG practices (i.e. with an ESG score > 80 / 100).
- The weight of issuers analysed and scored on ESG criteria prior to the investment must be higher than 90% of the invested pocket (i.e. excluding cash).

As of 30/12/2022:

- The long invested pocket of the Sub-Fund showed a better overall ESG score than its initial universe: 65/100 for the Sub-Fund against 60/100 for the universe;
- No invested company/sovereign issuer of the long book had an ESG score equal to or below 40/100;
- In the short book, no company had an ESG score > 80 / 100;
- All companies invested in the long book of the Sub-Fund had been analysed and scored through ELEVA ESG methodology.

● ***How did the sustainability indicators perform?***

The long invested pocket (excluding sovereign bonds) of the Sub-Fund had to show, as binding ESG criteria, a better performance than its initial investment universe on the following two ESG key performance indicators: carbon footprint (in tons of CO2 equivalent/million euros invested) and exposure to the UN Global Compact signatories (sum of the weights of the UN Global Compact signatories). Moreover, the long invested pocket of the ELEVA Absolute Return Europe Fund had to have a weighted average ESG score superior to the average ESG score of its initial investment universe.

As of 30/12/2022, the long invested pocket of the Sub-Fund (excluding sovereign bonds):

- Had a better performance than its initial investment universe on its carbon footprint (in tons of CO2 equivalent/million euros invested): 65 for the Sub-Fund against 246 for the universe;
- Presented a better exposure to UN Global Compact signatories than its initial investment universe: 91% for the Sub-Fund against 64% for the universe;
- The long invested pocket of the Sub-Fund showed a better overall ESG score than its initial universe: 65/100 for the Sub-Fund against 60/100 for the universe.

● ***...and compared to previous periods?***

2022 was the starting point for the comparison of sustainability indicators performance, as the regulation was not yet in force in previous periods.

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The ELEVA Absolute Return Europe Fund had not committed to a minimum share of sustainable investments (ex ante) but included in its portfolio investments qualified as sustainable according to ELEVA Capital's definition of sustainable investment (ex post). Please refer to the following question for more details.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The ELEVA Absolute Return Europe Fund had not committed to a minimum share of sustainable investments but included in its long book investments qualified as sustainable according to ELEVA Capital's definition of sustainable investment.

Several criteria have been applied to ensure that sustainable investments do not cause significant harm to any environmental or social sustainable investment objective:

- Exclusion (please refer to the question « To what extent were the environmental and/or social characteristics promoted by this financial product met? »)
- Minimum ESG score of 60/100, which screens out companies with bad ESG practices and/or significant controversies. As explained in the question “How did the financial product consider principal adverse impacts on sustainability factors?”, the ESG score captures many indicators for adverse impacts.
- Positive contribution through the proportion of revenues: the positive contribution of each company is measured by calculating the proportion of revenue generated with products or services that contribute positively to one or more UN SDGs. To be considered as a sustainable investment, a company must, among the 2 previous criteria, generate at least 20% of its revenue from this type of products or services. This is a net turnover threshold; thus, we deduct from this percentage the portion of turnover possibly achieved with products having potentially residual negative impacts (i.e. if not already excluded through the exclusion criteria). This indicator is expressed as a percentage and corresponds directly to the percentage of net sales, calculated as mentioned above. As of 30/12/2022, 27% of the Sub-fund investments of the long book passed these criteria and have been classified as sustainable investments.

How were the indicators for adverse impacts on sustainability factors taken into account?

Indicators for adverse impacts on sustainability factors were taken into account, at the product level, through the set of exclusion, through the criteria analysed in the ESG analysis and through the binding ESG KPIs (please refer to the question “How did this financial product consider principal adverse impacts on sustainability factors?”)

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The companies that had violated ILO (International Labour Organisation) Conventions, or one of the UN guiding principles on Business and Human Rights, or one of the UN Global Compact principles, or of the OECD Guidelines for Multinational Enterprises were excluded in this Sub-Fund.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



How did this financial product consider principal adverse impacts on sustainability factors?

The Sub-Fund took into consideration the 14 principal adverse impact indicators and 2 optional ones (investments in companies without carbon emission reduction initiatives and investment in companies without workplace accident prevention policies).

- PAI 2, 10 and 14 are taken into consideration in a quantitative way, with maximum exposure or thresholds in place (through Strict Exclusions or through the binding ESG key performance indicators described above)
- PAI 1, 3, 4, 5, 6, 11, 13 and the 2 optional ones are taken into consideration in a qualitative way, mainly through the criteria analysed through ESG analysis.
- PAI 7, 8, 9, 12 are only taken into consideration when the data is available (available data for these PAI is scarce). However, engagement on these topics may be conducted with companies to help improve disclosure.

The information on principal adverse impacts will be available in the annual report of ELEVA UCITS Fund.



What were the top investments of this financial product?

The top investments of the long book presented below are as of 30/12/2022

Largest investments	Sector	% Assets	Country
Novo Nordisk A/S	Pharmaceuticals	2.9%	Denmark
TotalEnergies SE	Oil, Gas & Consumable Fuels	2.5%	France
ING Groep NV	Banks	2.1%	Netherlands
Lloyds Banking Group PLC	Banks	1.9%	Britain
AstraZeneca PLC	Pharmaceuticals	1.9%	Britain
Schneider Electric SE	Electrical Equipment	1.8%	France
CaixaBank SA	Banks	1.8%	Spain
UniCredit SpA	Banks	1.8%	Italy
Merck KGaA	Health Care	1.8%	Germany
Rio Tinto PLC	Metals & Mining	1.8%	Britain
LVMH	Textiles, Apparel & Luxury Goods	1.7%	France
Iberdrola SA	Electric Utilities	1.7%	Spain
Mercedes-Benz Group AG	Automobiles	1.7%	Germany
Repsol SA	Oil, Gas & Consumable Fuels	1.7%	Spain
Heineken NV	Consumer Staples	1.6%	Netherlands

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: [30/12/2022](#)



What was the proportion of sustainability-related investments?

The Sub-fund had not committed to a minimum share of sustainable investments (ex ante) but included in its portfolio investments qualified as sustainable according to ELEVA Capital's definition of sustainable investment (ex post).

To qualify as sustainable investment (pass or fail), a company must generate at least 20% of its revenues with products and services contributing to one or more United Nations Sustainable Development Goals (UN SDGs) while at the same time not doing significant harm any environmental or social objective and following good governance practices (in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance).

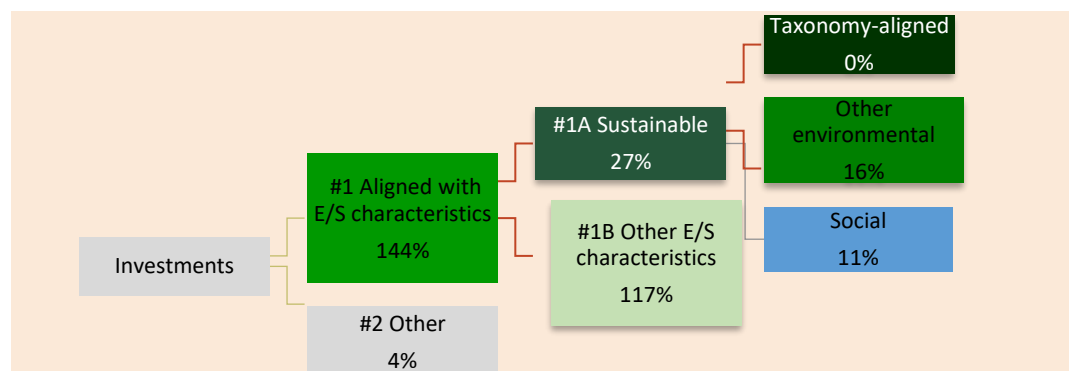
DNSH principle and good governance practices were captured through a set of Exclusions and a minimal ESG score of 60/100. The ESG analysis methodology and details on exclusions are disclosed in our Transparency Code, available in the Responsible Approach section of our website.

As of 30/12/2022, the ELEVA Absolute Return Europe Fund had a proportion of sustainable investments of 27%.

● **What was the asset allocation?**

The #1 Aligned with E/S characteristics: the Sub-Fund invested as of 30/12/2022 144% of its net asset that have been determined as "eligible" as per the ESG process in place (hence in investments that are aligned with the promoted environmental and social characteristics). 144% is a figure calculated as the gross exposure to equities and equity related products (on a long basis) plus equities and equity related products (on a short basis) plus corporate bonds plus sovereign bonds (on a long basis) plus indices (on a long and short basis).

#2 Other: As a result, 4% of the Sub-fund investments were not invested with the E/S characteristics. It consisted of cash, money market instruments and Article 6 funds.



#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.

#2Other 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 environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● **In which economic sectors were the investments made?**

As of 30/12/2022, investments were made in the following sectors:

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Asset allocation describes the share of investments in specific assets.

Sector	% of assets, gross exposure
Banks	15.0%
Pharmaceuticals	7.0%
Oil, Gas & Consumable Fuels	5.2%
Insurance	3.9%
Automobiles	4.2%
Chemicals	4.4%
Semiconductors & Semiconductor Equipments	3.2%
Beverages	2.9%
Machinery	3.3%
Textiles, Apparel & Luxury Goods	3.9%
Metals & Mining	2.4%
Multi-Utilities	1.9%
Hotels, Restaurants & Leisure	2.9%
Electric Utilities	1.7%
Trading Companies & Distributors	1.5%
Industrial Conglomerates	1.6%
IT Services	2.2%
Containers & Packaging	1.3%
Electrical Equipment	2.4%
Personal Products	1.0%
Building Products	2.1%
Technology Hardware, Storage & Peripherals	0.9%
Media	1.9%
Professional Services	1.1%
Aerospace & Defense	2.0%
Construction & Engineering	2.2%

Food & Staples Retailing	1.3%
Diversified Telecommunication Services	1.5%
Health Care Equipment & Supplies	1.2%
Food Products	0.6%
Specialty Retail	0.1%
Energy Equipment & Services	0.1%
Household Durables	0.1%
Construction Materials	0.2%
Communications Equipment	0.2%
Wireless Telecommunication Services	0.2%
Biotechnology	0.2%
Life Sciences Tools & Services	0.2%
Commercial Services & Supplies	0.2%
Airlines	0.2%
Paper & Forest Products	0.3%
Electronic Equipment, Instruments & Components	0.4%
Air Freight & Logistics	0.4%
Software	0.7%
Equity Real Estate Investment	0.8%
Capital Markets	1.4%
Article 8 funds	3.8%
Sovereign Bonds	23.3%
INDICES	13.7%
FUTURES	10.6%
Others	3.9%



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

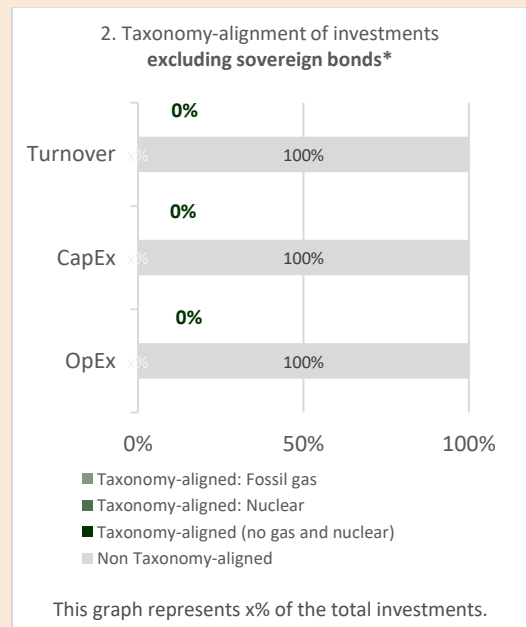
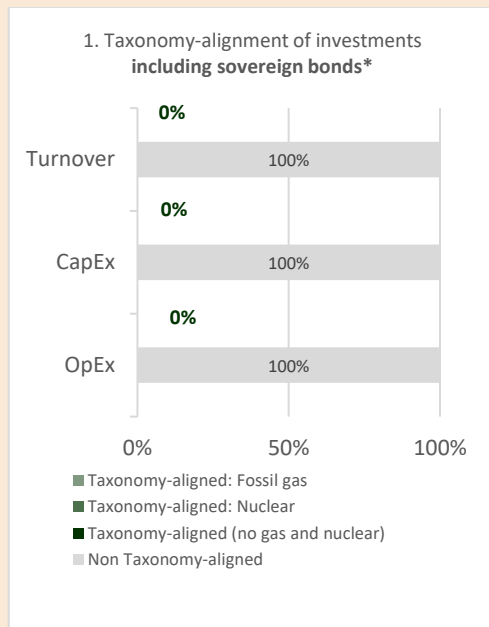
The Sub-fund has not committed to a minimum share of sustainable investments with an environmental objective aligned with the EU taxonomy. However, the proportion of sustainable investments can be measured ex-post.

At this point in time, we were unable to provide reliable Environmental taxonomy alignment figures.

● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

- Yes:
 - In fossil gas
 - In nuclear energy
- No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

- **What was the share of investments made in transitional and enabling activities?**
At this point in time, we were unable to provide reliable Environmental taxonomy alignment figures.
- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
At this point in time, we were unable to provide reliable Environmental taxonomy alignment figures.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The Sub-Fund had not committed to a minimum proportion of sustainable investments with an environmental objective that are not aligned with EU taxonomy (ex ante) but included in its portfolio investments qualified as sustainable according to ELEVA Capital's definition of sustainable investment with an environmental objective not aligned with the EU Taxonomy.

The share of these sustainable investments was 16%.



What was the share of socially sustainable investments?

The Sub-Fund had not committed to a minimum proportion of socially sustainable investments. The share of these sustainable investments was 11%.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

As of 30/12/2022, 4% of the Sub-fund investments were not invested with the E/S characteristics and so included under "other". It consisted of cash, money market instruments and Article 6 funds, for which environmental or social safeguards are not applicable.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

An internal process has been in place as well as systematic pre-trade control and post-trade monitoring to ensure that 75% minimum of net assets of the Sub-fund were "eligible" as per the ESG process in place (hence investments that are aligned with the promoted environmental and social characteristics).

Moreover, individual engagement with companies invested in the long book of the sub-fund was systematic to share key findings of ESG analysis and topics on which they could improve.



How did this financial product perform compared to the reference benchmark?

Not applicable

- **How does the reference benchmark differ from a broad market index?**
Not applicable

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable

- ***How did this financial product perform compared with the broad market index?***

Not applicable