



# ESG policy

## Introduction

Pursuant

- ◆ the article 4.1.b) 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

## Legal Background

**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**

*Article 4.1. Transparency of adverse sustainability impacts at entity level*

1. Financial market participants shall publish and maintain on their websites:

*(a) where they consider principal adverse impacts of investment decisions on sustainability factors, a statement on due diligence policies with respect to those impacts, taking due account of their size, the nature and scale of their activities and the types of financial products they make available; or*

*(b) where they do not consider adverse impacts of investment decisions on sustainability factors, clear reasons for why they do not do so, including, where relevant, information as to whether and when they intend to consider such adverse impacts.*

## Purpose

This policy applies to all investment decisions and portfolio management activities undertaken by Probus Pleion Luxembourg S.A.. It covers our approach to assessing sustainability risks and our rationale for the level of integration of Environmental, Social, and Governance (ESG) considerations in our investment processes.

## Scope

This policy is applicable to all investment decision-making and portfolio management processes at Probus Pleion Luxembourg S.A. It encompasses our approach to evaluating sustainability risks and explains our methodology for integrating Environmental, Social, and Governance (ESG) considerations into our investment decisions.

## Policy

### 1. Rationale for Not Considering Adverse Impact Indicators as Defined by SFDR

While recognizing the significance of assessing potential adverse sustainability impacts in our investments, Probus Pleion Luxembourg S.A. has opted not to comply with the EU Sustainable Finance Disclosure Regulation (“SFDR”) regime regarding Principal Adverse Sustainability Impact (“PASI”) due to the often insufficient quality of data provided by companies and institutions. We will, however, continually reassess this decision to ensure alignment with evolving standards and best practices.



## 2. Description of Principal Adverse Sustainability Impacts

Probus Pleion Luxembourg S.A. acknowledges the risk of unintended ESG-related side effects in each investment, which could potentially depreciate its value. Our funds avoid direct investment in sectors prohibited by the International Finance Corporation Exclusion List, like tobacco and gambling industries.

## 3. Client-Specific Mandates and ESG Considerations

In addition to our general investment approach, Probus Pleion Luxembourg S.A. actively solicits and incorporates client preferences regarding restricted industries or sectors into their portfolio management. This client-centric approach ensures that individual investment mandates are aligned with the specific ESG preferences and values of our clients.

## 4. Policies to Identify and Prioritize Principal Adverse Sustainability Impacts

Probus Pleion Luxembourg S.A. employs a structured approach to identify and prioritize principal adverse sustainability impacts, focusing on Environmental, Social, and Governance (ESG) criteria. Although these ESG criteria are not directly integrated into our core investment process, they play a role in our risk management framework.

We utilize the Bloomberg scoring system to evaluate the ESG profile of each fund. This system categorizes investments based on their ESG performance. By analyzing these ratings, we gain insights into the ESG aspects of our investments. Additionally, we calculate the percentage of each fund's investment in these categories.

Currently, Probus Pleion Luxembourg S.A. does not impose specific limits on the proportion of investments in any ESG category, such as a maximum of 5% in 'Poor' ESG-rated investments. However, this regular assessment of ESG profiles is integral to our strategy, as it allows us to be cognizant of potential risks and to take necessary measures for risk mitigation when required.