

Article 10 web disclosure

Sustainability-related disclosure

TowerView Impact

A fund of TowerView Fund • SFDR product category: Article 8

Summary

The fund aims to achieve long-term capital appreciation.

The fund invests in companies whose products / services have a positive impact on the environment and / or people.

No sustainable investment objective

This fund promotes E/S characteristics, but does not have as its objective sustainable investment.

E/S characteristics

Through the thematic strategy described below, the fund promotes environmental and social characteristics. The selection and monitoring process ensures that the overall environmental, social and governance characteristics of the fund are superior to the global equity universe.

Investment strategy

Objective : the fund aims to achieve long-term capital appreciation.

Benchmark : MSCI All Country World – Net Return. This index does not take ESG criteria into account. It is used for performance comparison. The fund's thematic approach considerably reduces the investment scope, so that performance may deviate significantly from the benchmark.

Investment policy : the fund is a fund of funds. It obtains indirect exposure by investing in funds pursuing equity strategies and ETFs. The fund may also obtain direct exposure by investing directly in equities and equity like securities. However, direct exposure is not expected to represent a significant proportion of the portfolio.

Strategy : the fund invests in companies whose products / services have a positive impact on the environment and / or people. The specific themes on which TowerView Impact reports so far are energy efficiency, clean transportation, renewable energies, water management and technologies, waste and pollution control, human development and sustainable food, agriculture and technologies.

Currencies : the fund seeks to gain exposure to equity markets worldwide and is therefore exposed to various foreign currencies.

Asset allocation

	<i>% of assets</i>
Investments aligned with the fund's E/S characteristics	Min. 90%
Qualifying as sustainable investments	-
- under the EU Taxonomy	-
- with a social objective	-
Not qualifying as sustainable investments but having other E/S characteristics	Min. 90%
Other investments	Min. 0%

Monitoring of E/S characteristics

Each fund in the portfolio is regularly reviewed on its Environmental, Social and Governance characteristics. Full portfolio transparency must be provided by the manager in order to review each investment and, if necessary, raise specific issues.

Data sources and processing

The fund uses research and ratings provided by Sustainalytics (a leading ESG research and data provider) to measure the environmental and social impact of the different components of its portfolio.

E/S methodologies

Sustainalytics attributes ESG Risk Ratings to a very large number of listed companies.

The ESG Risk Ratings measure the degree to which a company's economic value is at risk driven by ESG factors.

To be considered relevant in the ESG Risk Ratings, an issue must have a potentially substantial impact on the economic value of a company and, hence, its financial risk- and return profile.

An underlying premise of the ESG Risk Ratings is that the world is transitioning to a more sustainable economy and that the effective management of ESG risks should, therefore, be associated with superior long-term enterprise value.

There are 5 risk categories.

There are about 20 Material ESG issues. Examples include : Land Use and Biodiversity; Emissions, Effluents & Waste; Carbon - Products & Services; Own Operations; Carbon - Occupational Health & Safety; Human Capital; Business Ethics.

Based on its composition, an average Risk Rating is calculated for each fund included in TowerView Impact.

Each fund will be assessed against the Overall Risk Score, the E Score and the S Risk Score of a broad benchmark. The relevant benchmarks are MSCI Europe (for funds focusing on European equities), MSCI USA (for funds focusing on US equities), MSCI Asia (for funds focusing on Asian equities), MSCI Emerging Markets (if the focus are Emerging Market equities) and MSCI AC World (for global equity funds).

The lower the score, the better, but the minimum for inclusion in TowerView Impact is that the Overall, E and S scores of a fund are lower than for its appropriate benchmark.

Limitations of methodologies and data

Data provided by companies to the external ESG rating company may be incomplete, biased or incorrect. For smaller companies, coverage may not as exhaustive as for large ones. In addition, ESG scores, despite being obtained through a structured analytical process, also entail some degree of subjective judgment.

Due diligence

The management team uses a fund database and its own network to identify funds that may be interesting for inclusion in TowerView Impact, based on their track record and thematic strategy. In a second stage, ESG characteristics are analyzed using Sustainalytics.

Engagement policies

Due to the fund of funds approach, there is no direct engagement policy. Underlying managers are expected to have an engagement policy.

Reference benchmark (ESG)

The fund does not use a specific index to evaluate its overall EGS profile. However, each underlying fund is assessed against the Overall Risk Score, the Environmental Score, the Social Score and the Governance of a broad benchmark. The minimum for inclusion in the portfolio is that the scores of a fund are lower (ie. Better) than for its appropriate benchmark

Terms to understand

E/S Environmental and/or social.

ESG Environmental, social and governance.

ESG risk, sustainability risk An ESG event or trend that may bring reputational or financial harm to a corporate or sovereign issuer.

ESG score A measure of an issuer's exposure to ESG/ sustainability risks, typically based on data and developed through the investment team's analysis and scoring method.

EU Taxonomy The EU's official classification of economic activities that contribute to an environmental objective (such as climate change mitigation, water protection, circular economy, pollution prevention or biodiversity protection). In future the taxonomy will include activities with a social objective.

reference benchmark An index or combination of indices used by the fund to attain or compare its E/S characteristics.

SFDR Regulation (EU) 2019/2088 on sustainability-related disclosures for financial products.

sustainable investment An investment in economic activities, undertaken by companies that follow good governance practices, that contribute to an E/S objective without significantly harming other E/S objectives.