

General

Orizon Fund is a sub-fund of the ShelteR UCITS SICAV where ShelteR IM is the investment manager. The objective of the Sub-fund is to provide investors with a positive return over the long term by investing mainly in collective investment undertakings (UCITS, other UCIs and ETFs). This Sub-fund invests mainly in other collective investment undertakings which, in turn, invest mainly in different government and corporate bond markets and/or in the equity markets (including real estate investment trusts) and occasionally in other strategies such as alternative investments. This Sub-fund is classified as an “Article 8 +” fund under SFDR regulations and promotes environmental and social characteristics with a minimum % sustainable investments. The asset manager will target to select investment funds that take sustainability and/or ESG criteria into account as further described below.

ShelteR’s Approach to ESG Investing for Orizon Fund

Good Governance Screening - 100%	<ol style="list-style-type: none"> 1) Target funds need to have robust policies covering “good governance” requirements when selecting and investing in investee companies or issuers within the underlying fund. 2) Managers need to follow good governance and cannot have exposure to controversial business areas or practices. 3) A regular screening against a series of sanction lists as provided by the Luxembourg data provider Worldcheck.
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Environmental and Social Promotion Screening –75%	<ol style="list-style-type: none"> 1) Minimum 75% invested in target funds that classify under SFDR as: <ul style="list-style-type: none"> • Article 8 (Promote E/S Characteristics), or • Article 9 (Have a Sustainable Objective) 2) Minimum 50% needs to be invested in funds that are SFDR Article 8 with a sustainable objective or Article 9. 3) Minimum 25% needs to be invested in target funds that carry the Low Carbon label from Morningstar (Current definition = Carbon Risk < 10 and Fossil Fuel < 7)
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Sustainable Investments –10%	<p>Positive Contribution Analysis</p> <p>The Fund of Fund intends to achieve a minimum of 10% (indirect) exposure to sustainable investments with either environmental or social objectives. These may include (1) Environmental Sustainable Objectives: including Clean Water and Sanitation, Affordable & Clean Energy, Sustainable Cities and Communities, Responsible Consumption and Production, Climate Action, Life Below Water, Life on Land; or (2) Social Sustainable Objectives: including No Poverty, Zero Hunger, Good Health & Well-being, Quality Education, Gender Equality and/or Decent Work.</p> <p>The split between Sustainable Investments (SI) and Non-Sustainable Investments is determined on a look-through basis:</p> $\%SI = \sum_{TF} Weight_{TF} * \%SI_{TF} > 10\%$ <p>Where the sum is determined over all Article 8 and Article 9 Target Funds (TF) that the fund-of-fund invests in.</p>
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Sustainable Investments –10%	<p>Do Not Significantly Harm Analysis (“DNSH”)</p> <p>The Fund-of-Funds targets to invest in funds that disclose the following PAI’s:</p> <p>Corporate indicators:</p> <ul style="list-style-type: none"> ▪ PAI 1: GHG Emissions ▪ PAI 3: GHG Intensity ▪ PAI 4: Exposure to companies active in the fossil fuel sector ▪ PAI 10: Violation of UNGC principles and OECD guidelines for Multinationals ▪ PAI 14: Exposure to Controversial Weapons <p>Sovereign indicators:</p> <ul style="list-style-type: none"> ▪ PAI 15: Regarding GHG Intensity ▪ PAI 16 : Countries subject to social violations <p>The fund-of-fund targets to report on these PAI’s on an annual basis, using data from Morningstar/Sustainalytics.</p>
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