



**ERIC STURDZA**  
**INVESTMENTS**



# Sustainability-Related Disclosures

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## Introduction

E.I. Sturdza Strategic Management Limited (“Eric Sturdza Investments”) is providing these Sustainability-Related Disclosures in relation to the sub-funds of the E.I. Sturdza Funds plc, pursuant to Article 8(1) of the Sustainable Finance Disclosure Regulation 2019/2088.

Each of the sub-funds is offered to investors in the European Union and United Kingdom.





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*"We aim to align our capabilities with the needs of investors today and in the future, providing access to the best investment ideas, within a framework that seeks to achieve better ESG outcomes."*





## No Sustainable Investment Objective

The sub-funds of E.I. Sturdza Funds plc promote environmental and / or social characteristics as part of their investment process, but do not have sustainable investment objectives.

## Environmental or Social Characteristics of the Sub-Funds

The portfolio of each sub-fund is managed by independent investment teams (the “Investment Advisers”). Each team has adopted their own process to incorporate the consideration of sustainability risks and to promote environmental and social characteristics in line with Eric Sturdza Investments’ overriding ESG Policy.

The Investment Advisers’ proprietary research involves a fundamental review of each potential issue / holding and incorporates an assessment of associated ESG risk considerations. The Investment Advisers adopt an independent tailored approach to the assessment of ESG factors both utilising quantitative and qualitative data, as well as through direct engagement with underlying companies.

Such assessments are undertaken relying on data made available to each of the Investment Advisers via third party data providers, such as Sustainalytics, through independent reviews of company reports as well as other resources, in addition to the direct engagement referenced above.

Within the fundamental analysis undertaken by the Investment Advisers, any weakness or deficiencies that are identified from an ESG perspective are considered, to understand the potential risks associated with an investment. Such consideration may indicate the requirement for additional engagement with a company, and may result in a decision not to invest or to divest from an investment, if the Investment Adviser believes that it is in the best interests of the strategy to do so.

As part of the mandate between Eric Sturdza Investments and the various Investment Advisers we work with, there is a requirement for each Investment Adviser to provide a business case should they elect to invest in any company rated as having Severe ESG risk by Sustainalytics.

We, as Investment Manager, believe that there are industries / investment areas that we do not want to support, and as such have established an exclusion list as part of our ESG policy. We define industries in which we will not invest, this can either be a total ban or an exclusion of companies that derive more than a set percentage of their revenue from specific product areas. All Investment Advisers are contractually obligated to comply with our exclusion list. Further information with regards to our approach to exclusions can be found within our Responsible Investment Policy on our website.

## Investment Coverage

The sub-funds are expected to have direct exposure to investee companies through their investment portfolio, within the investment universes, as defined in the sub-funds supplement. The incorporation of environmental and social characteristics within the sub-funds selection process has been fully implemented.

## Monitoring of Environmental and Social Characteristics

The Investment Advisers appointed to each of the sub-funds have primary responsibility for monitoring the environmental and social characteristics of the portfolio, using the data and systems available to them.

Eric Sturdza Investments maintains an independent ESG Committee which consists of senior representatives from across the business, which provides an oversight function. This includes daily post trade reviews in terms of new holdings, as well as formal and in-depth monthly reviews. The output of which is made available to the relevant Investment Adviser, but also the Board of Directors at each quarterly Board meeting.

## Data Sources

The Investment Advisers have access to ESG risk rating information, product involvement and carbon emission data via Sustainalytics. In addition, each Investment Adviser has access to additional data made available to them via Institutional Shareholder Services ("ISS"), a leading proxy voting provider, which has been engaged by the Investment Manager. Should an Investment Adviser choose not to vote then ISS will automatically vote in accordance with its Socially Responsible Investment policy.

In addition, and by virtue of the active, fundamental and bottom up research undertaken by the Investment Advisers, including direct engagement with potential and active investee companies, data is sourced directly from relevant companies via publicly available sources, such as annual reports.

## Methodology and Data Limitations

The effectiveness of the Investment Advisers fundamental research processes depends primarily on their experience and skill and the quality of data and information available to them.

Whilst the Investment Advisers investment processes are designed to accurately assess the ESG profile and Sustainability Risks associated with the sub-funds' portfolios, there is no guarantee that such techniques will identify all risks.

Further, Eric Sturdza Investments nor any of the Investment Advisers are able to validate or guarantee the accuracy of the ESG related

data that is provided by any independent third party, whether this be third party data providers, such as Sustainalytics or ISS, or the investee companies.

## Ongoing Monitoring

The Investment Advisers are responsible for the ongoing monitoring of all positions in their investment portfolio and universes and for ensuring that all developments, including those related to ESG risk factors are captured within their proprietary analysis of a company and assessment of the risk profile thereof.

Eric Sturdza Investments, as Investment Manager, provides an independent monitoring process to ensure the Investment Advisers comply with the E.I. Sturdza Funds plc Responsible Investment Policy.

## Engagement Policy

We are an active investment manager, commonly investing with a medium to long term view in a concentrated portfolio of holdings. As such we are able to develop relationships with the companies in which we invest, engage directly with company representatives and develop an in-depth understanding of their strategic ambitions, including their ESG position and aspirations. Such an understanding allows us to ensure we are allocating capital to those companies that have strong ESG credentials, or those that are transitioning their business to ensure ESG considerations are fully integrated.

In support of the above we have established a Shareholder Engagement Policy which sets out how we ensure stewardship and shareholder engagement is central in all we do when acting as Investment Manager to the sub-funds. The purpose of the policy is to demonstrate how we integrate shareholder engagement across our fund range, in support of our responsible investing approach and as required by the Shareholder Rights Directive II (EU) 2017/828 ("SRDII"). Eric Sturdza Investments' fully endorses and supports the principles on engagement as set out in SRDII.

Further information with regards to our Shareholder Engagement Policy, is available via [www.ericsturdza.com](http://www.ericsturdza.com).

## Reference Benchmark

Each of the sub-funds is actively managed, with reference to an Index for performance monitoring, and where applicable, the calculation of performance fees. The Investment Advisers are not however subject to constraints in terms of deviation from the benchmark composition and may use their discretion to invest in securities/ sectors which are not included in the Index. As such the degree of deviation from the Index may potentially be significant.

## Further Resources

Please consult the following links for additional information regarding the sub-funds and the approach Eric Sturdza Investments takes with regards to ESG matters:

- [Investment Strategies](#)
- [Eric Sturdza Investments' ESG Approach](#)
- [E.I. Sturdza Funds plc – Responsible Investment Policy](#)
- [Voting Rights Policy\\*](#)
- [Shareholder Engagement Policy](#)

\* For more information regarding the Proxy votes that have been cast on behalf of the sub-funds, please refer to our [Proxy Voting Dashboard](#).

These Sustainability-Related Disclosures are published by E.I Sturdza Strategic Management Limited, as the Investment Manager of the E.I. Sturdza Funds plc and are provided in good faith and reflect our understanding of the obligations as per the EU Sustainable Finance Disclosure Regulation for financial products classified as Article 8(1) of the Regulation.

The information and disclosures contained herein are subject to change due to market, regulatory and compliance developments. Any subject updates will be made available via [ericsturdza.com](http://ericsturdza.com).

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