

# ESG Investment Policy

Iolcus Investments AIFM Single Member S.A. (GEMI: 117631101000) is an alternative fund and segregated portfolios management firm that belongs to the Piraeus Bank group of companies.  
It is authorised and regulated by the Hellenic Capital Market Commission (license no. 2/591/7.7.2011 & 2/805/28.12.2017)

Phone: (+30) 210 7233340

Email: [info@iolcus.gr](mailto:info@iolcus.gr)

Address: 4 Vas. Sofias Ave., 106 74 Athens



## Table of Contents

ESG Investment Policy .....	1
1. Disclaimer .....	3
2. Introduction .....	3
3. ESG Investment Approach .....	4
4. ESG Approach .....	4
Environmental factors (E).....	4
Social factors (S).....	5
Corporate Governance factors (G) .....	6
8. ESG Filters and Screening .....	6
Negative – Exclusionary Screening (Negative Filter) .....	6
Positive – Best in Class Screening (Positive Score -Filter).....	6
Norms – based screening .....	7
9. Shareholder Engagement .....	7
10. Updating of ESG Investment Policy .....	8
11. Contact.....	8

# 1. Disclaimer

This document contains key information on the responsible investment policy ("ESG Investment Policy") of Iolcus Investments (the "Company").

The present document is part of the overall Investment Policy of the Company and applies, pursuant to the Regulation (EU) 2019/2088 (SFDR - Sustainable Finance Disclosure Regulation).

This document does not constitute promotional material.

Information included herein is pursuant to 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, with the aim to disclose information regarding the policies of the Company for the integration of sustainability risks in the investment decision-making process and in the investment advice.

Investments involve risks.

Investments in Alternative Investment Funds may be increased or decreased, which may lead to a change in the initial amount invested in the funds and to fluctuations in the income from the portfolios.

Interested investors are prompted, before making any investment decision, to carefully consider the Key Investor Information Documents (KIIDs) to weigh, with the help and advice of qualified professional advisors, the suitability of each investment and the tax consequences it may have. In case of the provision of investment advice service, interested clients are prompted to carefully consider the appropriate information provided to them in good time before entering into the contractual relationship with the Company and the provision by the latter of investment advice.

The Company has received an operating license in Greece and is supervised by the Hellenic Capital Market Commission.

## 2. Introduction

Iolcus (the "Company"), a member of Piraeus Bank Group, which has set as a strategic goal the sustainable development, banking and investments, closely monitors the ongoing developments in the changing regulatory framework and appropriately adapts its investment policy and products, responding not only in the requirements of the supervisory authorities, but also in the increased interest of the investors for products and services with characteristics and goals of sustainable investments.

The Company, as a signatory of the Principles for Responsible Investment Initiative (PRI) since 2020, has adapted its investment policy by applying the ESG Investment Policy to its funds, portfolios and provision of investment services. The Company considers sustainability risks in its investment decisions besides the common financial analysis as well as the other portfolio specific risks. This consideration applies to the investment management process including the investment assessment and screening.

The disclosure of this ESG Investment Policy with this document intends, among others, to reduce information asymmetries with regard to the integration of sustainability risks, the consideration of adverse sustainability impacts, as per case, the promotion of environmental or social characteristics, and sustainable investment.

The ESG Investment Policy of the Company has taken into account the requirements of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on Sustainable Finance Disclosure Regulation (SFDR), and is available for any interested party on the website [www.iolcus.gr](http://www.iolcus.gr) and will be updated in due time and course,

without prior notice.

### 3. ESG Investment Approach

The use of ESG factors in the investment process, as well as in the investment advice provision is complementary to the existing statutory investment process regardless of the type or category of the investment.

The ESG Investment Policy excludes specific predefined sectors and investments with high risk and negative impact on ESG issues.

At the same time, the Company is actively looking for sectors and investments with a positive impact on ESG issues.

Ideally, these investments:

- follow sustainability norms,
- create and maximise added value,
- exhibit outstanding performance,
- are led by excellent and accountable teams,
- apply transparent governance policies, and
- have established processes with respect to human rights.

### 4. ESG Approach

Regarding Alternative Investment Funds and individual portfolios, which are not falling within the field of articles 8 or/and 9 of the Regulation, as well as the provision of investment services, before the investment decision making, the Company assesses the sustainability risks and their adverse impacts on the returns of the individual and collective portfolios under management and generally of the financial products provided by it, taking under consideration the indicatively the following criteria:

- ESG Score extracted by specified databases and information organizations (indicatively: Bloomberg)
- Issuer's/Company's section and country of activation.
- Constant monitoring of the company's/issuer's financial statements
- Assessment of how the company/issuer follows good governance practices and the precautionary principle of 'do no significant harm', in order to ensure that neither the environmental nor the social objective is significantly harmed.

More specifically the following ESG factors are taking into consideration prior investing:

#### Environmental factors (E)

Factors that relate to a company's interaction with the natural environment:

- Climate Change
- GHG Emissions
- Pollution (air, water, land)
- Water Scarcity
- Deforestation
- Biodiversity
- Energy Efficiency
- Waste Disposal

- Natural Resources
- Recycling
- Circular Economy
- Plastics
- Conflict Minerals
- Environmental Regulation
- Renewables

## Social factors (S)

Factors that relate to a company's practices that have an impact on the workplace, society or community:

- Slavery, Child & Compulsory Labour
- Labour Relations
- Health and Safety
- Human Rights
- Local Communities
- Culture
- Working Conditions
- Training
- Professional Development
- Impact on Indigenous Communities
- Sports
- Well-being
- Discrimination
- Diversity & Inclusion
- Staff Turnover
- Benefits
- Licence to Operate
- Stakeholder Engagement

## Corporate Governance factors (G)

Factors that relate to how a company is governed:

- Executive Compensation
- Board Independence and Composition
- Shareholder Rights
- Transparency
- Accountability
- Responsible Supply Chain
- Codes of Conduct
- Anti-corruption & Bribery
- Ethics
- Litigation
- Fines
- GDPR (personal data protection)
- Compliance
- Tax Avoidance
- Cyber Security
- Director Nominations
- Board Committees

Taking under consideration the criteria mentioned above, the Company evaluates all financial products and includes them in the lists of permitted or non permitted investments, as per case.

## 8. ESG Filters and Screening

### Negative – Exclusionary Screening (Negative Filter)

The Company applies exclusion ESG criteria (absolute and conditional) to the following cases. The following sectors are excluded:

- Pornography (absolute)
- Controversial Weapons (absolute)
- Casinos (absolute)
- Lottery (conditionally, sports betting and numerical lottery might be included provided that sustainability actions mitigate negative impacts and sound corporate responsibility policies are in place)
- Energy Companies with revenue from coal exceeding 75%.
- Countries are excluded where there is:
  - War,
  - and
  - Violation of human rights.

### Positive – Best in Class Screening (Positive Score -Filter)

The Company applies Positive/Best in Class ESG criteria and invests actively in sectors with positive ESG impact and

growth opportunities such as:

- Renewables
- Cleantech
- Waste Management
- Energy Efficiency
- ResourceEfficiency
- InnovativeTechnologyModels
- Green Real Estate
- SustainableWaterSolutions
- SustainableAgribusiness and Farming
- HealthyNutrition
- Natural Cosmetics
- Healthcare
- Sustainable Industry
- Electromobility
- SharingEconomy

## Norms – based screening

The Company applies in parallel a norm – based screening.

This strategy prefers investments that follow sustainability relevant policies, processes, standards, initiatives, frameworks and norms such as:

- International Labor Organization (ILO)
- Universal Declaration of Human Rights
- United Nations Global Compact
- Task Force on Climate-related Financial Disclosures (TCFD)
- Sustainable Development Goals (SDGs)
- Principles for Responsible Investment (PRI)
- Sustainability Accounting Standards Board (SASB)
- International Integrated Reporting Council (IIRC) Framework
- Carbon Disclosure Project (CDP)
- Global Reporting Initiative (GRI)
- Accountability Standards
- Sustainability Code
- ISO 26000

## 9. Shareholder Engagement

The Company engages in dialogue with companies addressing also ESG issues, when necessary and needed.

Means of communication on ESG issues may include (but not limited to) telephone calls, investor road shows, corporate (live) presentations, in-vivo meetings, formal (e)mailing and annual shareholder assemblies.

In accordance with its Shareholder Engagement Policy, the Company may participate in the General Meetings of Shareholders of listed companies whose shares are included in our portfolios

In all portfolio positions, when infringement of ESG issues arises (i.e. predefined red flags) the Company immediately

proceeds to divestment in due time. Such red flags may include:

- Violation of human rights,
- Environmental fines,
- Occupational Health & Safety issues,
- Governance Issues (i.e. extraordinary executive compensation, corruption, bribery, tax evasion).

Additionally, for the implementation of ESG Investment Policy, the Company relies on receiving information from specialized databases and information organizations (such as Bloomberg, Reuters, etc.).

It is noted that sometimes due to lack of data, the implementation of the ESG Investment Policy may be subject to restrictions.

However, this is expected to be normalized over time as more and more companies and issuers, which may be included in the investment universe of the Company, will publish reliable information on sustainability risks and factors, due to both best business practices and regulatory requirements such as:

1. Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 (EU Taxonomy Regulation) on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.
2. Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups.

## 10. Updating of ESG Investment Policy

The Company closely monitors the regulatory developments, updating this ESG Investment Policy when required and deemed necessary.

## 11. Contact

For any information, question or clarification regarding this ESG Investment Policy, as well as any issue or information that may relate to the Company's investment positions, please contact:

Phone: (+30) 210 7233340

Email: [info@iolcus.gr](mailto:info@iolcus.gr)

Address: 4 Vas. Sofias Ave., 106 74 Athens