

SFDR Article 8 (Sub-)Funds – Website Disclosures

Sections based on Articles 23 to 36 [SFDR](#)

[Delegated Regulation \(EU\) 2022/1288](#)

Full name of the Article 8 (sub-) fund: Indonesian Infrastructure Small Caps

Legal entity identifier: 635400TIPATE8LVLAJ30

Date of review: 5 November 2025

Disclaimer: The present working document may be subject to further regulatory changes.

Sustainability-related disclosures

Summary

Environmental or social characteristics:

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment.

The environmental and social characteristics of this product are related to exclusion of companies in contradiction of the Investment Manager's Responsible Investment Policy, such as those that do not respect international conventions, internationally recognized frameworks or national regulations, or that do not meet certain ESG criteria, and as such those involved in controversial business. The ESG analysis of the firms included in the portfolio comprises a list of environmental, social and governance indicators. It takes into consideration the size and the resources of the investee company, and it is integrated with direct engagement with investee companies. Engaging with the investee companies on ESG matters is considered an important tool to improve the fundamental quality of the portfolio, over the medium to long-term horizon. The Investment Manager's aim is to actively engage on material sustainability issues with at least 100% of the investee companies held in the portfolio.

The Sustainable Investment that the financial product partially intends to make is attained by investing in securities issued by companies that produce a positive impact instrumental to the achievement of the Sustainable Development Goals ("SDGs") as defined by the United Nations ("UN").

Investment strategy:

The stock selection is based on a value approach and it is implemented through fundamental analysis. The ESG analysis is integrated in the fundamentals and valuation analysis of the company. The Investment manager analyses the practices used by the companies in the domains of environmental, social and governance on a continuous basis as part of the stock selection process, as one of the instruments to minimize the negative impact of the investments. All investments are subject to good governance policy (sound management structures, employee relations, remuneration of staff and tax compliance) while taking into account the size, the risks and the resources of the company. Additionally to ensure the respect of good governance, the Fund will only invest in publicly traded company as a minimum safeguard, as several policy and audit are taken place before a company goes public.

Proportion of investments:

This Fund invests at least 100% of its assets, excluding cash and derivatives, in investments that promote ESG characteristics. Within this category, 100% of the Fund's equity investments are Sustainable Investments with a social objective.

Monitoring of environmental or social characteristics

All exclusions are coded in the IMS Trading & Compliance module, through which investing in an excluded asset is not possible. In addition, post-trade checks take place. The Sustainability team will monitor the ESG ratings of companies included in the portfolio, with a particular focus on the firms with a more elevated sustainability risk whose presence in the portfolio is associated with engagement activities. In terms of engagement, the dialogue between investor and company is reflected in targets that are monitored throughout the year by the Sustainability team. Where the investee company does not demonstrate any improvement within a period of 18 months, the investment will be liquidated.

Methodologies for environmental or social characteristics

The investment manager provides a clear explanation of the analysis methodologies used in both the ESG and SDG (Sustainable Development Goal) in the Sustainability Policy and in the PAI statement document on its website: <https://nicheam.com/legal/>

Data sources and processing

The Investment Manager uses several sources for gathering sustainability data. The sustainability team of the Investment Manager reviews the quality of the data obtained in the course of its analysis. This is made through outliers data analysis (data that are significantly lower or higher than the average are double-checked), through time consistency analysis and possibly through industry aggregation analysis. In the case of internal analysis, which is mostly based on the analysis of firm's reporting by the dedicated sustainability team, the data are processed manually, subject to final cross-review by the team members. In the case of Refinitiv the data processing is automatic, in order to reduce the risks of incorrect transcription.

Limitations to methodologies and data

The main limitation to the methodologies and data sources is referred to the absence of information from the listed companies with respect to the Principal Adverse Indicators (PAI). Data are often not available or difficult to assemble, especially in the case of emerging markets. The Investment Manager uses third-party ESG data providers over which it does not have direct control. In terms of SDG analysis, the Investment Manager uses a clear and disclosed proprietary SDG analysis. As such this can yield different results compared to other SDG analysis.

Due Diligence:

The due diligence process is based on the approach called by European Banking Authority (EBA) as "*Exposure Method*", which focuses on how individual exposures perform on ESG factors. The indicators used for this assessment are arranged at company level, taking into consideration sector characteristics, with the aim to attain the specific sensitivities to ESG factors of different segments of economic activity. This systematic approach for classifying exposures according to their specific ESG attributes covers all three individual elements 'E', 'S' and 'G', both during stock selection and monitoring of investments.

Engagement policies:

The Investment Manager goal is to improve sustainability practices and communications through consistent and positive engagement. The Investment Manager will engage with the firms in all those cases where critical elements emerge from the ESG, DNSH, Minimum Safeguards and Controversies analysis in a way to understand the reason why the issues occurred and the firm's commitment to address them.

Reference Benchmark:

No specific index has been designated as a reference benchmark to determine whether this financial product is aligned with the environmental and social characteristics that it promotes.

No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

The Sustainable Investment that the financial product partially intends to make is attained by investing in securities issued by companies that produce a positive impact instrumental to the achievement of the Sustainable Development Goals (“SDGs”) as defined by the United Nations (“UN”).

The Investment Manager ensures that the Sustainable Investments held in the portfolio do not cause significant harm to any environmental or social objective through ESG analysis, together with the analysis of principal adverse impacts (“PAI”), as referred to in Annex I of the SFDR Delegated Act.

Pre-Investment, the following PAI on sustainability factors are therefore considered through the NAM exclusion policy:

- Exposure to companies active in the fossil fuel sector (PAI 4, Table 1);
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons (PAI 14, Table 1).

Post-Investment, the following PAI on sustainability factors are considered:

- Mandatory Environmental indicators (PAI 1-9, Table 1) and Optional Environmental Indicator (PAI 7, Table 3);
- Mandatory Social and employee matters indicators (PAI 10-14, Table 1).

The Investment manager always takes into account the size and the resources available to the investee companies, in order to appraise the result of the PAI analysis and to set reasonable engagement goals.

More information is available on the Investment Manager website <https://nicheam.com/legal/>

The sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the principles and rights set forth in the 8 fundamental conventions identified in the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights, based on the Refinitiv data or, lacking those data, at the best of its knowledge. Should violations occur in these areas, the investment manager will first engage with the company and then, if the violation persists, a liquidation procedure for the investment will be enacted.

Environmental or social characteristics of the financial product

The Fund promotes the following environmental and social characteristics:

- Companies in contradiction of the Investment Manager’s Responsible Investment Policy will be excluded from investment, such as those that do not respect international conventions, internationally recognized frameworks or national regulations, or that do not meet certain ESG criteria, and as such those involved in controversial business.
- An ESG analysis, based on the following steps:

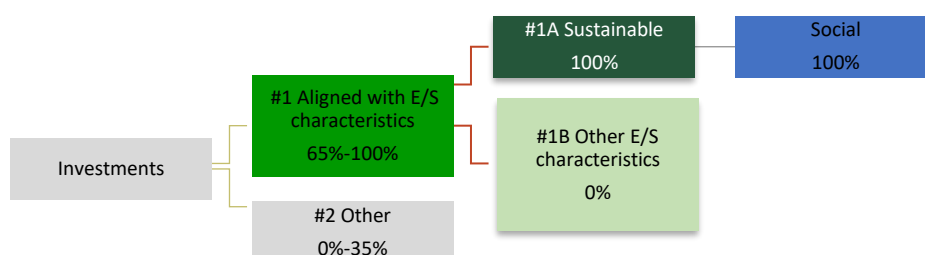
- 1) Data collection: using different sources such as: a) sustainability documents published by the company; b) financial statements; c) a third party provider's analysis when available (such as Thomson Reuters); and d) direct contact with the investee company;
 - 2) Data processing: involving collation of data so as to be comparable with that of peers and putting it into a proprietary taxonomy system based on the guidance of the Principles for Responsible Investment.;
 - 3) Data analysis: review and interpretation of the data by adding a qualitative element to the analysis in order to correct anomalies that routinely emerge; and
 - 4) Engagement with the investee company: using the findings of the above analysis to set an objective to improve any practices that are deemed weak. This engagement process follows and records the progress made by the investee company over time.
- Each ESG analysis comprises a list of environmental, social and governance indicators. It takes into consideration the size and the resources of the investee company, and it is integrated with direct engagement with investee companies, which is considered by the Investment Manager to be an essential part of its investment process (see below). Engaging with the investee companies on ESG matters is considered an important tool to improve the fundamental quality of the portfolio, over the medium to long-term horizon.
 - The ESG analysis will be applied to equity stocks and corporate bonds. In relation to government bonds, the Investment Manager will not invest in any country that appears in sanction lists or that the Investment Manager deems not to be investable based on scores published via the Freedom in the World report (Freedom House), Global Peace Index (Institute for Economics and Peace) and Women, Business and the Law index (World Bank). The Fund will invest in collective investment schemes that promote a range of environmental and social characteristics under Articles 8 and 9 of SFDR.
 - The Investment Manager's aim is to actively engage on material sustainability issues with at least 100% of the investee companies held in the portfolio. The starting point for engagement is the ESG analysis. The ESG findings, in fact, are used to set objectives to improve any practices that are deemed weak. The engagement activity therefore takes the form of alerting companies to ESG risks, proposing solutions to ESG challenges and moving towards best practices in managing ESG issues. In addition, engagement also includes the promotion of awareness of the SDG goals where they have not been explicitly supported by the firm. As the Fund is primarily focused on investment in Indonesian small cap companies, it is likely that on occasion those companies may not be able to publish a complete responsible investing report and/or to completely embed sustainability in the company's operating and development processes. As a result, it is considered that there is ample room through engagement to improve both the sustainability culture and processes of investee companies and their reporting processes. The Investment Manager will diligently record its engagement efforts with investee companies, by way of emails, calls, videocalls, meetings, relevant documentation, and standardised or personalised forms on sustainability created by the Investment Manager. Where the investee company does not demonstrate any improvement within a period of 18 months, the investment will be liquidated.
 - The Investment Manager also utilises a proprietary ESG scoring system. Data processing (step 2 of the ESG analysis outlined above) produces a quantitative score, which can be adjusted via data analysis (step 3 above). The analyst must justify such adjustment and produce a general review of the company, which will form the basis of engagement (step 4 above). Qualitative data is also used, whereby answers to prescribed questions are converted to numerical data. The overall grade is calculated and converted into ratings from 'AA' to 'CCC', for comparability and analysis.

Investment strategy

The stock selection is based on a value approach and it is implemented through fundamental analysis. The ESG analysis is integrated in the fundamentals and valuation analysis of the company. The Investment manager analyses the practices used by the companies in the domains of environmental, social and governance on a continuous basis as part of the stock selection process, as one of the instruments to minimize the negative impact of the investments. All investments are subject to good governance policy (sound management structures, employee relations, remuneration of staff and tax compliance) while taking into account the size, the risks and the resources of the company. Additionally to ensure the respect of good governance, the Fund will only invest in publicly traded company as a minimum safeguard, as several policy and audit are taken place before a company goes public.

Proportion of investments

This Fund invests at least 100% of its assets, excluding cash and derivatives, in investments that promote ESG characteristics. Within this category, 100% of the Fund's equity investments are Sustainable Investments with a social objective.



Monitoring of environmental or social characteristics

All exclusions are coded in the IMS Trading & Compliance module, through which investing in an excluded asset is not possible. In addition, post-trade checks take place.

The Sustainability team will monitor the ESG ratings of companies included in the portfolio, with a particular focus on the firms with a more elevated sustainability risk whose presence in the portfolio is associated with engagement activities.

In terms of engagement, the dialogue between investor and company is reflected in targets that are monitored throughout the year by the Sustainability team. Where the investee company does not demonstrate any improvement within a period of 18 months, the investment will be liquidated.

Methodologies for environmental or social characteristics

The investment manager provides a clear explanation of the analysis methodologies used in both the ESG and SDG (Sustainable Development Goal) in the Sustainability Policy and in the PAI statement document on its website: <https://nicheam.com/legal/>

ESG analysis is performed either through a proprietary analysis or through the use of an external provider (Refinitiv), whereas SDG analysis is performed exclusively through a proprietary model.

Data sources and processing

The data sources used to attain each of the environmental or social characteristics promoted by the financial product;

The Investment Manager uses the following data sources:

- the exclusion process uses multiple information sources, including: Refinitiv, the Freedom in the World report (Freedom House), The Financial Action Task Force (FATF), the EU Sanction List, UK Sanction List, internal analysis, industry report, financial statements analysis.
- the valuation of sustainability risk is based on Refinitiv data and on internal analysis (internal analysis data are derived from firm sustainability reporting, if available, or from other sources like company management, company website, third-parties' sources).
- the engagement process is conducted through many channels and duly formalized (emails, calls, videocalls, meetings, standardized or personalized forms on sustainability).
- the SDG analysis is based on public data processed by the Investment Manager.

The measures taken to ensure data quality;

The sustainability team of the Investment Manager reviews the quality of the data obtained in the course of its analysis. This is made through outliers data analysis (data that are significantly lower or higher than the average are double-checked), through time consistency analysis (the Investment Manager takes into consideration the period to which the data are referred to be sure that is consistency in the comparison) and possibly through industry aggregation analysis.

How data are processed;

In the case of internal analysis, which is mostly based on the analysis of firm's reporting by the dedicated sustainability team, the data are processed manually, subject to final cross-review by the team members. In the case of Refinitiv the data processing is automatic, in order to reduce the risks of incorrect transcription.

The proportion of data that are estimated.

The Investment Manager has a preference for reported data. The Investment Manager will rely on estimated data on ancillary basis, in extreme cases like those relative to lack of an update from the company or in case it found data that are clearly blunted and no opportunity of direct contact with the company is possible.

Limitations to methodologies and data

The main limitation to the methodologies and data sources is referred to the absence of information from the listed companies with respect to the Principal Adverse Indicators (PAI). Data are often not available or difficult to assemble, especially in the case of emerging markets. This affects the process of PAI analysis and of PAI aggregation and reporting. Then, the ESG data related to PAI can differ from one provider to another due to different methodological approaches.

The Investment Manager expects the level of disclosure to improve significantly within a few years, given the pressure from the investment community to demand more and better information from listed companies. In the meantime, the Investment will engage the companies to improve the communication framework. This creates a positive spin in term of sustainability reporting of companies that are located in areas other than Europe where sustainability reporting is still fragmented. This applies significantly to small and mid-cap areas where Investment Manager aims to stimulate the sustainability communication awareness.

The Investment Manager uses third-party ESG data providers over which it does not have direct control. However the investment manager uses best effort to verify those data. For what concerns the violation of the OECD Guidelines for Multinational Enterprises, ILO standards, UNGPs, or UNGC, the analysis relies also on third-party providers, and/or controversies analysis and/or investee company's management feedback. For what concerns the third-party providers, the data obtained bear the same limitations disclosed above about ESG data.

In terms of SDG analysis, the Investment Manager uses a clear and disclosed proprietary SDG analysis. As such this can yield different results compared to other SDG analysis.

Due diligence

The Investment Manager has carried out an adequate investment due diligence process regarding the sustainability risks of its investment strategies.

The due diligence process is based on the approach called by European Banking Authority (EBA) as "Exposure Method", which focuses on how individual exposures perform on ESG factors. The indicators used for this assessment are arranged at company level, taking into consideration sector characteristics, with the aim to attain the specific sensitivities to ESG factors of different segments of economic activity. This systematic approach for classifying exposures according to their specific ESG attributes covers all three individual elements 'E', 'S' and 'G', both during stock selection and monitoring of investments.

The internal control takes places through a number of analyses managed by the Investment Manager: ESG integration policies, Exclusion policy, Do Not Significantly Harm analysis, Minimum Safeguard, Controversies analysis, and Engagement activities with investee companies.

The external control takes place through: a) outliers data analysis (data that are significantly lower or higher than the average are double-checked); b) time consistency analysis (the Investment Manager takes into consideration the period to which the data are referred to be sure that is consistency in the comparison); and, possibly, c) industry aggregation analysis.

Engagement policies

The Investment Manager goal is to improve sustainability practices and communications through consistent and positive engagement. The Investment Manager will engage with the firms in all those cases where critical elements emerge from the ESG, DNSH, Minimum Safeguards and Controversies analysis in a way to understand the reason why the issues occurred and the firm's commitment to address them.

Designated reference benchmark

Not applicable. No specific index has been designated as a reference benchmark to determine whether this financial product is aligned with the environmental and social characteristics that it promotes.