

# Trinetra

SFDR Article 8 Characteristics Card

(the "**Characteristics Card**")

The objective of this Characteristics Card is to provide investors and shareholders of the Fund with all relevant information in accordance with the Sustainable Finance Disclosure Regulation (Regulation EU/2019/2088) article 10 and article 8 requirements in a transparent and structured manner.

Trinetra Emerging Markets Growth Fund (**the "Fund"**)

A sub-fund of

Trinetra UCITS ICAV

---

Trinetra Investment Management LLP 7 Stratford Place London W1C 1AY

Tel: +44 20 3908 8900 [www.trinetra-im.com](http://www.trinetra-im.com)

Trinetra Investment Management LLP is incorporated in England and Wales under company number OC415873 with registered address at 7 Stratford Place London W1C 1AY and is authorised and regulated by the Financial Conduct Authority (Firm reference number: 772919).

## 1. GLOSSARY OF TERMS

In this Characteristics Card the following words and phrases have the meanings set forth below:

“Environmental Objectives”	climate change mitigation; climate change adaptation; the sustainable use and protection of water and marine resources; the transition to a circular economy; pollution prevention and control; the protection and restoration of biodiversity and ecosystems, as referenced and considered in more detail in the Taxonomy Regulation.
“ESG”	environmental, social and governance
“Investment Manager”	Trinetra Investment Management LLP
“Management Company”	Carne Global Fund Managers (Ireland) Limited
“SDGs”	the United Nations Sustainable Development Goals
“SFDR”	the Sustainable Finance Disclosure Regulation (Regulation EU/2019/2088) as amended and as may be further amended from time to time
“Sustainability Risk”	an environmental, social or governance event or condition that, if it occurs, could cause a negative material impact on the value of the investment.
“Sustainable Investment”	(a) an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy; or (b) an investment in an economic activity that contributes to a social objective, in particular, an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations; or (c) an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular, with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

“Sustainable Investment Fund”	a fund that meets the criteria in SFDR to qualify as a financial product (which includes a UCITS authorised in accordance with article 5 of the Directive 2009/65/EC and an AIF as defined in article 4(1)(4) of Directive 2011/61/EU) and has Sustainable Investment as its objective.
“Taxonomy Regulation”	the Regulation on the Establishment of a Framework to Facilitate Sustainable Investment (Regulation EU/2020/852) as may be amended from time to time.

## 2. BACKGROUND

The EU has introduced a series of legal measures (the primary one being SFDR) requiring firms that manage investment funds to provide transparency on how they integrate sustainability considerations into the investment process with respect to the investment funds they manage.

This Characteristics Card has been prepared for the purpose of meeting the specific financial product level disclosure requirements in SFDR and, specifically, the disclosure requirements applicable to the Fund promoting ESG Characteristics under Article 8 of SFDR.

Financial market participants have been advised to comply with the specific disclosure obligations in SFDR initially with a "high-level, principles-based approach" in mind.

The Fund therefore seeks to comply on a best-efforts basis with the relevant disclosure obligations and issues this Characteristics Card as a means of achieving this objective.

It is expected that this Characteristics Card will be reviewed and updated once the relevant RTS come into effect on 1 January 2022.

This Characteristics Card may also be updated to take account of the Taxonomy Regulation once it comes into effect 1 January 2022.

## 3. ARTICLE 8 CLASSIFICATION

It has been determined that the Fund meets the criteria in Article 8 of SFDR to qualify as a financial product which promotes ESG Characteristics and has prepared this Characteristics Card to make the associated disclosures as considered further in section 2 above.

The Management Company and the Investment Manager reserve the right to reassess this classification at any time and shall keep this classification under review pending the effective date of the RTS expected to be January 2022.

If the Management Company and/or the Investment Manager determines at any future point that the Fund does not meet the criteria to qualify as Article 8 Fund, this Characteristics Card shall be updated or withdrawn as appropriate, in accordance with the revised classification of the Fund.

SFDR Level 1 Requirement Per Article 10 of SFDR	Description of Requirement	Text
1.	Article 6 SFDR	<p>The manner in which sustainability risks are integrated into their investment decisions</p> <p>The management of sustainability risk forms an important part of the due diligence process implemented by the Investment Manager.</p> <p>When assessing the sustainability risk associated with underlying investments, the Investment Manager is assessing the risk that the value of such underlying investments could be materially negatively impacted by an environmental, social or governance event or condition (“ESG Event”).</p> <p>Using qualitative processes, sustainability risk is identified, monitored and managed by the Investment Manager in the following manner:</p> <ul style="list-style-type: none"> <li>i. The Investment Manager uses sustainability criteria when selecting investments for the Fund. The Investment Manager uses ethnographic research where it meets consumers in their homes in Emerging Markets (“EMs”), in villages and towns to understand the social and environmental issues they face, as well as the solutions they see to their own problems. From these discussions, the Investment Manager forms a universe of potential investments that can provide solutions to these problems. The Investment Manager invests in securities that directly benefit from the rise in domestic consumption in EMs, therefore the process screens for companies providing solutions to primarily social but also environmental needs of consumers in EMs, and by its nature excludes industries such as energy producers, extractive industries, utilities, arms manufacturers, tobacco. The Investment Manager also conducts fundamental analysis on each potential investment in order to assess the adequacy of risk management programs of an issuer to manage the</li> </ul>

SFDR Level 1 Requirement Per Article 10 of SFDR	Description of Requirement	Text
		<p>material sustainability, operational, strategic and financial risk it faces. The Investment Manager will block from investment any company for which it cannot get a clear understanding of and quantify its ESG risks. The Investment Manager’s risk assessment scores for each company are used to risk adjust returns. The risk assessment includes ESG as well as operational, strategic and financial risks. Companies with higher ESG risks will result in a higher risk score and lower risk adjusted returns, which will result in reduced position sizing in the portfolio.</p> <p>ii. During the life of the investment, sustainability risk is monitored through fundamental analysis by the investment team to determine whether the level of sustainability risk has changed since the initial assessment was conducted. This review is generally conducted when the issuer reports. Where the sustainability risk associated with a particular investment has increased, this will result in a reduction of risk adjusted returns and the Investment Manager will consider selling or reducing the Fund’s exposure to the relevant investment, taking into account the best interests of the Shareholders of the Fund.</p>
2.	Article 10(1)(a) of SFDR Article 32(c) of RTS	<p>The environmental and/or social Characteristics of the financial product and information on how those Characteristics are met</p> <p>The environmental and/or social Characteristics promoted by the Fund comprise primarily social issues in Emerging Markets (“EMs”) such as Health &amp; Wellness and Equality – Equality for the people at the bottom of the pyramid as well as migrants, women, youth and older adults, and those in less developed lower-tier cities and rural areas. The Investment Manager uses ethnographic research where it meets consumers in their homes in Emerging Markets, in villages and towns to understand the social and environmental issues that they face, as</p>

SFDR Level 1 Requirement Per Article 10 of SFDR	Description of Requirement	Text
		<p>well as solutions to their own problems. This research process is called Immersions by the Investment Manager.</p> <p><i>In identifying investments which allow the Fund to promote environmental or social Characteristics, the Investment Manager adopts the following strategies:</i></p> <ol style="list-style-type: none"> <li><b>1. Immersions Research:</b> During the Immersions research the Investment Manager meets with consumers in EMs in their homes in their villages and towns to understand the social and environmental issues they face as well as solutions they see to their own problems. From these discussions, the Investment Manager forms a universe of companies that can provide solutions to these problems and which will be researched during the security selection process.</li> <li><b>2. Security Selection:</b> Firstly, the Investment Manager will block from investment any company for which it cannot get a clear understanding of and quantify its ESG risks. Secondly, the Investment Manager's risk assessment scores for each company are used to risk adjust returns. The risk assessment includes ESG as well as operational, strategic and financial risks. Companies with higher ESG risks will result in a higher risk score and lower risk adjusted returns, which will result in reduced position sizing in the portfolio.</li> <li><b>3. Active Engagement and Escalation:</b> Firstly, the Investment Manager brings to the management's attention the risks and opportunities as articulated by consumers during Immersions research. Secondly, the Investment Manager engages with management on our assessment of the risks they face (ESG, financial, operational and strategic) and discusses the significance and likelihood of each risk as well as any preventive or detective controls that their management has put in place. In the event that an issue has not been adequately dealt with by management, the Investment</li> </ol>

SFDR Level 1 Requirement Per Article 10 of SFDR	Description of Requirement	Text
		<p>Manager will escalate the matter by addressing it more formally, including with the chair or with other members of the senior management team.</p> <p>The Investment Manager’s Engagement Policy is publicly available on its website.</p> <p><b>4. Voting:</b> The Investment Manager exercises all its voting rights and has a Voting Policy publicly available on its website.</p> <p><b>5. UN Sustainable Development Goals:</b> The Investment Manager maps each stock to at least one of the UN’s 17 Sustainable Development Goals that relate to the investment case for owning the specific security. For every goal, the analyst takes at least one relevant measurable parameter that can be tracked over multiple years to engage with management.</p> <p>The Investment Manager also assesses the governance practices of issuers in order to satisfy itself that the relevant issuers follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. The Investment Manager conducts a risk assessment for each company in its investment universe. The Investment Manager’s risk assessment scores for each company are used to risk-adjust returns. The risk assessment includes ESG as well as operational, strategic and financial risks. Companies with higher ESG risks will be given higher cost of equity, and so will offer lower risk-adjusted returns, which will result in reduced position sizing in the portfolio, outright sale, or no purchase at all. The Investment Manager undertakes in-depth analysis of the material ESG issues of an issuer it has identified through its own proprietary research or raised through in the proxy research by its proxy research provider. It engages with investee companies on ESG matters in the following way:</p>



SFDR Level 1 Requirement Per Article 10 of SFDR	Description of Requirement	Text
		<ol style="list-style-type: none"> <li>1. The Investment Manager brings to management’s attention the risks and opportunities as articulated by consumers during Immersions research.</li> <li>2. The Investment Manager engages with management over the analysts’ assessment of the material risks the investee company faces (ESG, financial, operational, and strategic) and discusses the significance and likelihood of each risk, as well as any preventive or detective controls that management has put in place.</li> <li>3. In the event that an issue has not been adequately dealt with by management, the Investment Manager will escalate the matter by addressing it more formally, including with the chair or with other members of the senior management team. The Investment Manager may express its concerns through voting against the appointment of certain directors, or against other proposals, and in writing to explain its voting actions.</li> </ol> <p>The Investment Manager monitors compliance with the social and/or environmental Characteristics outlined above on a regular basis. The Investment Manager collects its own ESG data through its ethnographic research where it can get first-hand accounts of the actions of some of the investee companies on people’s lives. The investment universe is created from companies that provide solutions to social and environmental issues highlighted by the Investment Manager’s Immersions research. The Investment Manager maps each stock in its portfolio to at least one of the UN’s 17 Sustainable Development Goals that relate to the investment case for owning the specific security. For every goal, the analyst takes at least one relevant measurable parameter that can be tracked over multiple years to engage with management.</p>

	SFDR Level 1 Requirement Per Article 10 of SFDR	Description of Requirement	Text
3.	Article 10(1)(b) of SFDR Article 34(f) of RTS	Monitoring of environmental or social Characteristics	Covered in point 2 above
4.	Article 10(1)(b) of SFDR Article 34(g) of RTS	Methodologies	Covered in point 2 above
5.	Article 10(1)(b) of SFDR Article 34(h) of RTS	Data sources and processing	Covered in point 2 above
6.	Article 10(1)(c) of SFDR Article 34(l) of RTS	Designated reference benchmark	Not applicable. No index has been selected as benchmark.