

Sustainability-related disclosures
Enam India Opportunities Fund
(Pursuant to Art. 10 of Regulation (EU) 2019/2088 and
Articles 25 to 36 of Commission Delegated Regulation (EU) 2022/1288)

This document contains Sustainability-related disclosures relating to Enam India Opportunities Fund (the “**Financial Product**” or “**Fund**”), a sub-fund of EAMC ICAV, which promotes environmental and social characteristics in accordance with Article 8 of Regulation (EU) 2019/2088 (the “**Sustainable Finance Disclosure Regulation**” or “**SFDR**”).

a) Summary

The Fund promotes environmental and social characteristics as defined under Article 8 of SFDR but does not have as its objective sustainable investment.

The Fund promotes E&S characteristics such as reduction in carbon emissions intensity and energy efficiency measures, waste management and recycling, water management, human capital management and better protection of human rights, improved supply chain management and improved product stewardship.

The Fund’s investment strategy seeks to promote good environmental, social and governance practices. To achieve this, the Fund relies on the Investment Manager’s proprietary ESG rating methodology and an exclusionary approach to integrate ESG in investment decisions. Based on the ESG rating, companies are classified under three categories – ‘Good’, ‘Neutral’ and ‘Laggard’. The Investment Manager limits exposure to companies with weaker ESG profiles (categorized as ‘Laggard’) to no more than 40% of the portfolio and excludes sectors such as alcohol, tobacco, gambling, and controversial arms where a company derives more than 25% of their revenue from these sectors. The Investment Manager avoids investing in companies that have a poor track record of dealing with minority shareholders and adopt unethical practices. The Investment Manager also assesses the governance practices of investee companies using its proprietary ESG rating model.

The Fund allocates a minimum of 60% of its portfolio to investments aligned with the environmental and social characteristics it promotes, comprising companies rated ‘Good’ or ‘Neutral’ (ESG score of 6/10 or higher) based on the Investment Manager’s proprietary ESG rating methodology. Up to 40% of the Fund’s assets may be invested in ‘Other’ investments, which include companies categorized as ‘Laggard’ (ESG score below 6/10), as well as cash and cash equivalents.

The Investment Manager monitors the environmental and social characteristics promoted by the Fund using proprietary ESG ratings, portfolio exposure limits, aggregate ESG ratings, engagement with investee companies to encourage improvement in ESG practices and media monitoring.

In addition, the Fund uses the following methodologies to measure the attainment of its environmental and social characteristics: Proprietary ESG Rating Methodology, Exclusionary Approach and Engagement Process.

The Investment Manager uses various data sources to attain the environmental and social characteristics promoted by the Fund, including the Business Responsibility and Sustainability Report, the Sustainability Accounting Standards Board, the Investment Manager’s research team, industry channel checks and media reports.

There may be certain limitations to the methodologies and data used by the Investment Manager, depending on factors such as data availability, data comparability, subjectivity in ESG ratings and dynamic ESG risks.

In addition, the Investment Manager conducts due diligence on investee companies through pre-investment screening, proprietary ESG ratings, an exclusionary approach and ongoing monitoring.

The Investment Manager also employs a constructive engagement policy to promote the Fund's environmental and social characteristics. This policy includes engagement with 'Laggard' companies in respect of material ESG issues, an escalation process and ongoing dialogue.

The Fund does not use a designated reference benchmark to attain its environmental or social characteristics.

b) No sustainable investment objective

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

c) Environmental or social characteristics of the financial product

The environmental and social characteristics promoted by the Fund include all of the following, where applicable, depending on the attributes of an investee company specific to its sector or industry. The indicators below are used to assess these characteristics at investee company level, wherever available, from public sources and through positive engagement with portfolio companies.

Environmental Characteristics	Indicators (wherever applicable)
Reduction in carbon emissions intensity and energy efficiency measures	GHG Emissions: Scope 1, Scope 2 and Scope 3 GHG Emission Intensity: KG of Scope 1 and Scope 2 emissions per INR Million of Revenues Decarbonization Plans: GHG reduction targets and whether the targets are verified by SBTi Energy Intensity: Megajoules of energy consumed per INR million of revenue Energy Mix: Share of renewable electricity and share of renewable fuel
Waste management and recycling	Waste generation: Hazardous, Non-Hazardous and total waste generated Waste Intensity: kg of hazardous, non-hazardous and total waste generation per INR million of revenue Waste recycling: percentage of waste recycled to total waste generated; percentage of recycled material used Waste to landfill: percentage of waste sent to landfill to total waste disposed EPR Compliance: Compliance to Extended Producer Responsibility norms
Water Management	Water usage: Total water withdrawn, total water consumption, total waster discharged (in Kilolitres) Water efficiency: Total water withdrawn and total water consumed per INR million of revenue Wastewater management: Implementation of effluent treatment plans and / or zero liquid discharge systems at manufacturing facilities Groundwater restoration: Initiatives undertaken to recharge groundwater levels
Human capital management and better protection of human rights	Health and safety record: Lost time injury frequency rate and fatality record (employees and workers) Human rights training: % of employees and workers provided human rights training Health and safety training: % of employees and workers provided health and safety training Attrition rates: Employee and worker turnover % Contractual workforce: Share of non-permanent employees and workers as percentage of total workforce

	Minimum wages: % of employees and workers on minimum wage
Improved supply chain management	Value Chain Assessments: % of value chain partners assessed for health and safety practices and working conditions; % of value chain partners assessed for environmental impacts Sustainable sourcing procedures: Implementation of Supplier Code of Conduct; Establishment of procedures for sustainable sourcing; % of inputs sourced sustainably; Applicability of human rights requirements as part of business agreements and contracts
Improved Product Stewardship	Investments: Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively Lifecycle Analysis: Details of life cycle assessments carried out by applicable entities for any of its products and nature of assessments undertaken (cradle to grave, cradle to gate) Other stewardship initiatives: Adoption of green chemistry principles, reduction of ingredients of concern (salt, sugar) from food products, development of low emission vehicle portfolio, development of energy efficient consumer appliances and electronics.

d) Investment strategy

The Fund's investment approach is to invest in growth opportunities that are available at reasonable valuations.

The Fund will invest in companies across market capitalizations and will not be biased towards any particular sector or industry.

The Investment Manager will also actively trade equity-related instruments and equities of Indian companies listed outside of India on a long only approach with a view to taking opportunities arising from short-term price movements.

The Investment Manager follows a distinct fundamental investment philosophy of identifying high quality businesses that are structurally well positioned, have sustainable competitive advantages and strong execution capabilities for consistent long-term growth.

It is a bottom-up investment approach and active decisions with respect to stock selection are made through a rigorous research driven investment process.

The Investment Manager places significant emphasis on qualitative investing by avoiding sectors and companies where transparency levels are low, business models are opaque, and businesses are overregulated and subject to government intervention.

The investment strategy also seeks to promote good environmental, social and governance practices. To achieve this, the Fund relies on the Investment Manager's proprietary ESG rating methodology and an exclusionary approach to integrate ESG in investment decisions.

Based on the ESG rating, companies are classified under three categories – 'Good', 'Neutral' and 'Laggard'. The ratings are arrived at based on a 'Materiality Framework' that includes identifying all the key ESG risks and opportunities for each company in the coverage universe. Generally, the Investment Manager refers to the Sustainability Accounting Standards Board (SASB) guidelines and its research team's experience in determining the material aspects for each company.

To mitigate risk and uphold the Investment Manager's commitment to responsible investing, the Investment Manager sets a limit on exposure to 'Laggard.' The Investment Manager's objective is to ensure that no more than

40% of the portfolio is exposed to companies categorized as 'Laggard.' This allocation limit serves as a safeguard, reducing the potential impact of ESG-related risks on the overall portfolio.

The Investment Manager believes in giving companies an opportunity and recognizing the potential for positive change and the Investment Manager will closely monitor and seek to engage with companies categorized as 'Laggard.' The Investment Manager employs a constructive approach, encouraging such companies to enhance their ESG practices within a reasonable timeframe. Should a company fail to demonstrate tangible progress or exhibit a lack of intent to improve its ESG practices within the stipulated timeframe, the Investment Manager reserves the right to progressively reduce the Fund's exposure to the stock. This measured approach aligns with the Investment Manager's commitment to responsible investing and ensures that the portfolio reflects companies dedicated to sustainable business practices.

Proprietary Rating Methodology: The Investment Manager has developed a proprietary rating methodology to systematically evaluate its investment universe on material environmental, social and governance aspects. Each company is rated on a scale of 0 (lowest) to 10 (highest) across three main pillars - **Corporate Governance**, **Sustainability Culture** and **E&S Performance**. Within environmental and social (E&S) performance, the material topics and metrics will differ across industries. The same topic may also be weighed differently across industries depending on its relative importance to the industry.

The ratings across the three pillars factor the company disclosures, qualitative factors, controversies, and performance versus local and global peers. The rating process helps in:

- Identifying gaps in disclosures or performance parameters.
- Tracking the progress of investee companies.
- Providing input on topics of engagement with investee companies.

Exclusionary Approach: Certain sectors are excluded from the investment universe to mitigate potential negative effects on the environment and society. As a policy, the Investment Manager does not invest in sectors linked to alcohol, tobacco, gambling, and controversial arms and ammunition. Companies deriving more than 25% of their revenues from these sectors are excluded. The Investment Manager also avoids investing in companies that have a poor track record of dealing with minority shareholders and adopt unethical practices such as diversion of funds to related parties, lack of transparency and disclosures, deviation from stated policies, etc. Consequently the purpose of the exclusionary approach is to ensure that the Fund's investments cause reduced harm to the environment/society by not investing in certain assets/ investee companies.

Description of the policy to assess good governance practices of the investee companies

The Investment Manager adopts a multi-faceted approach to assess the governance practices of investee companies.

Prior to any company entering the Fund's investment universe, the Investment Manager's research and portfolio management teams conduct frequent and detailed engagements with the company's management and founders. These engagements are designed to provide comfort and confidence in the company's governance practices and management character. The discussions cover various critical matters such as overall strategy, capital allocation policies, succession planning, treatment of minority shareholders, and other governance-related issues.

Once a company is included in the investment universe, it is periodically monitored on various aspects. The Investment Manager's proprietary ESG rating model assesses the governance practices across various parameters that are set out below:

- Minority shareholder treatment
- Compensation practices
- Board and Committee structure and functioning
- Access and accounting quality
- Policy and Ethical Conduct
- Data protection and privacy

The Investment Manager's research team closely follows media news and reports about each of the companies tracked in the universe. Additionally, industry channel checks also provide additional insights into the practices followed by the company. This helps the Investment Manager stay informed about any developments or concerns that may affect the governance quality of these companies and consequently the value of the investment.

e) Proportion of investments

The Fund allocates a minimum of 60% of its portfolio to investments aligned with the environmental and social characteristics it promotes, comprising companies rated 'Good' or 'Neutral' (ESG score of 6/10 or higher) based on the Investment Manager's proprietary ESG rating methodology.

Up to 40% of the Fund's assets may be invested in 'Other' investments, which include companies categorized as 'Laggard' (ESG score below 6/10), as well as cash and cash equivalents.

With respect to investments for certain specific purposes such as hedging or liquidity, it is anticipated that these will be negligible. The Fund will not make use of derivatives to attain the environmental or social characteristics it promotes.

The Fund does not commit to making sustainable investments, including Taxonomy-aligned investments, so the proportion of sustainable or Taxonomy-aligned investments is 0%.

f) Monitoring of environmental or social characteristics

The Investment Manager monitors the environmental and social characteristics promoted by the Fund through:

- Proprietary ESG ratings: All investee companies are assessed annually and categorized as 'Good,' 'Neutral,' or 'Laggard' based on material ESG indicators, with ongoing tracking of performance across environmental, social, and governance factors.
- Portfolio exposure limits: The Fund ensures that no more than 40% of the portfolio is exposed to 'Laggard' companies, with regular reviews to maintain this threshold.
- Aggregate ESG rating: The overall ESG rating of the portfolio is monitored to detect improvements or deteriorations in ESG characteristics over time.
- Engagement and media monitoring: The Investment Manager engages with 'Laggard' companies to encourage ESG improvements and tracks media reports and industry insights to stay informed about governance or ESG-related developments.

These processes ensure continuous oversight of the Fund's alignment with its promoted E&S characteristics.

g) Methodologies for environmental or social characteristics

The Fund uses the following methodologies to measure the attainment of its environmental and social characteristics:

- **Proprietary ESG Rating Methodology:** Companies are evaluated on a scale of 0 to 10 across three pillars - Corporate Governance, Sustainability Culture, and Environmental & Social (E&S) Performance. Material ESG indicators (e.g., energy management, decarbonization plans, human rights practices) are identified using frameworks like the Sustainability Accounting Standards Board (SASB) and the Investment Manager's research expertise. Companies are categorized as 'Good,' 'Neutral,' or 'Laggard,' with 'Laggards' (score below 6/10) limited to 40% of the portfolio.
- **Exclusionary Approach:** The Fund excludes companies deriving more than 25% of revenue from alcohol, tobacco, gambling, or controversial arms. The Investment Manager also avoids investing in companies that have a poor track record of dealing with minority shareholders and adopt unethical practices such as diversion of funds to related parties, lack of transparency and disclosures, deviation from stated policies, etc.
- **Engagement Process:** The Investment Manager engages with 'Laggard' companies to drive ESG improvements, monitoring progress and reducing exposure if no tangible progress is made within a reasonable timeframe.

Sustainability indicators include energy and emissions management, decarbonisation plans, waste management and recycling initiatives, water management, product stewardship initiatives, human rights practices, employee and worker health and safety practices and supply chain management, tailored to each company's industry.

h) Data sources and processing

What data sources are used to attain each of the environmental or social characteristics promoted by the Fund?

The primary source of information to gather the material environmental and social metrics is the Business Responsibility and Sustainability Report published annually by the top 1,000 (by market capitalization) listed Indian companies. Governance related metrics are captured from each company's annual reports as well as the Bombay Stock Exchange.

To determine industry specific materiality, the Investment Manager refers to the recommendations of the Sustainability Accounting Standards Board as well as the experience of the Investment Manager's research team members.

In addition to the above, the Investment Manager relies on industry channel checks and media reports to identify ESG controversies or governance issues.

What measures are taken to ensure data quality?

All companies publish their Business Responsibility and Sustainability Report in machine-readable XBRL format. The Investment Manager has leveraged this and developed internal software tools to extract structured and standardized data. Once the data extraction is complete, various metrics such as energy, emissions, water and waste intensity are cross verified with sector average and sector median value to determine any outliers. Clarification on the outliers is sought by engaging with company management where necessary.

How is that data processed?

Data is processed through:

The proprietary ESG rating methodology, which scores companies (0–10) across Corporate Governance, Sustainability Culture, and Environmental & Social (E&S) Performance, factoring in disclosures, controversies, and peer performance.

Qualitative analysis by the Investment Manager's research team to assess context-specific ESG risks and opportunities.

Aggregation of individual company ratings to monitor portfolio-level ESG characteristics and ensure compliance with the 40% 'Laggard' limit.

What is the proportion of data which are estimated?

The Fund primarily relies on company-reported data and qualitative insights, minimizing the use of estimates. However, where data gaps exist (e.g., limited disclosures from smaller companies), the Investment Manager may use industry benchmarks or qualitative judgment to approximate ESG performance. The proportion of estimated data is not explicitly quantified but is kept minimal through cross-verification and direct engagements.

i) Limitations to methodologies and data

Data availability: Some investee companies, particularly smaller firms, may have limited ESG disclosures, requiring reliance on qualitative assessments or industry benchmarks.

Data comparability: ESG data may vary across companies within sector due to different operating models such as in-house manufacturing v/s outsourcing, complicating direct comparisons.

Subjectivity in ratings: The proprietary ESG rating methodology involves qualitative judgment, which may introduce subjectivity, though mitigated by SASB guidelines and team expertise.

Dynamic ESG risks: Rapid changes in ESG controversies or regulations may not be immediately reflected in ratings.

j) Due diligence

The Investment Manager conducts due diligence on investee companies through:

Pre-investment screening: Detailed engagements with management to assess governance practices and strategy, and focusing on transparency, minority shareholder treatment, and ethical conduct.

Proprietary ESG ratings: Evaluating companies on material ESG factors to categorize them as 'Good,' 'Neutral,' or 'Laggard,' ensuring alignment with the Fund's characteristics.

Exclusionary approach: Excluding sectors (alcohol, tobacco, gambling, controversial arms) where a company's revenue exceeds 25% from these sectors and companies with a poor track record of dealing with minority shareholders or adopt unethical practices.

Ongoing monitoring: Tracking ESG performance via company disclosures, media reports, and industry checks to identify risks or opportunities.

This multi-faceted approach ensures investments align with the Fund's environmental, social, and governance objectives.

k) Engagement policies

The Investment Manager employs a constructive engagement policy to promote the Fund's environmental and social characteristics:

Engagement with 'Laggard' companies: The Investment Manager engages with companies rated below 6/10 to encourage improvements in ESG practices, setting reasonable timeframes for progress.

Focus areas: Engagements cover material ESG issues such as emissions reduction, human rights, supply chain management, and governance practices like minority shareholder treatment.

Escalation process: If a company shows insufficient progress or intent to improve ESG practices, the Investment Manager may progressively reduce the Fund's exposure to that company.

Ongoing dialogue: Regular discussions with management and founders ensure alignment with the Fund's ESG expectations and provide insights for updating ESG ratings.

This approach balances the opportunity for positive change with the need to mitigate ESG-related risks.

I) Designated reference benchmark

The Fund does not use a designated reference benchmark to attain its environmental or social characteristics. Instead, it relies on the Investment Manager's proprietary ESG rating methodology and exclusionary approach to ensure alignment with the promoted characteristics.