



Product name: WIP Water Fund AIF  
 Legal entity identifier: 3095764-7

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="radio"/> Yes	<input checked="" type="radio"/> <input type="radio"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input checked="" type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 80 % of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%	<input type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>

### What environmental and/or social characteristics are promoted by this financial product?

The characteristics promoted by this financial product consist of investing in corporates with excellent Environmental, Social and Governance ratings, focusing on companies promoting clean water and sanitation (SDG 6).

The product also excludes producers of tobacco, cannabis, adult entertainment, gambling, alcohol, conventional weapons, fossil fuels and weapons banned by international treaties (e.g., nuclear weapons, land mines, cluster weapons and chemical and biological weapons) from its direct investment universe.)



- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

75 % of the product must be invested in companies with a Refinitiv ESG rating above 40 or have a NASDAQ Green Equity Designation (targets companies that have 50 % of their turnover considered green).

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

The investments in companies supplying water contribute to climate change adaptation. The activity of the company supplying water has a substantial contribution to GHG emission savings through low specific energy consumption in the water supply system.

The product invests mainly in companies that provide technologies to improve water quality, maximize water efficiency or increase the number of households connected to water services.

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

All investment qualifying as sustainable are screened against all significant do no harm indicators relevant under the EU Taxonomy.

**How have the indicators for adverse impacts on sustainability factors been taken into account?**

Upon investment and over the life of the product, the financial product assesses and monitor indicators that are deemed to indicate the presence of a principal adverse impact as per EU law, except for companies which we are unable to collect data.

**How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All companies to which the product invest have a policy to ensure the respect of human rights in general. All multinational companies included in the product also comply with the OECD Guidelines.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



Does this financial product consider principal adverse impacts on sustainability factors?

- Yes  
 No

Upon investment and over the life of the product, the financial product assesses and monitor indicators that are deemed to indicate the presence of a principal adverse impact as per EU law. The financial product also considers what sustainable development goals (SDG) the target company is aiming for. If the financial product notice that the target company deviates significantly from previously communicated figures (increasing adverse sustainability impacts), we will investigate the issue further and consider appropriate measures, such as excluding the company from the investment universe.

What investment strategy does this financial product follow?

The financial product invests globally and selectively in companies within the water industry, whose core business is based on water-related activities such as water infrastructure or water technology.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

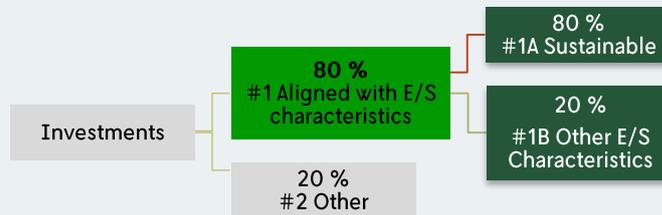
The product promotes companies that have a high level share of sales related to water services (minimum 20 %) or develop technologies that enables efficient use of water. The water metrics is combined with excellent Environmental, Social and Governance ratings. 75 % of the product must be invested in companies with a Refinitiv ESG rating above 40 or have a NASDAQ Green Equity Designation (targets companies that have 50 % of their turnover considered green).

The product also excludes producers of tobacco, cannabis, adult entertainment, gambling, alcohol, conventional weapons, fossil fuels and weapons banned by international treaties (e.g., nuclear weapons, land mines, cluster weapons and chemical and biological weapons) from its direct investment universe. This is also a binding element.

- **What is the policy to assess good governance practices of the investee companies?**

The investee companies are rated for governance aspects using the Refinitiv ESG Ratings.

What is the asset allocation planned for this financial product?



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The fund invests in direct holdings. The fund generally invests at least 80 % of its total assets in companies that are aligned with environmental characteristics. 20 % of the total investments can be cash, cash equivalents or companies that either lack ESG data or do not incorporate environmental or social characteristics.

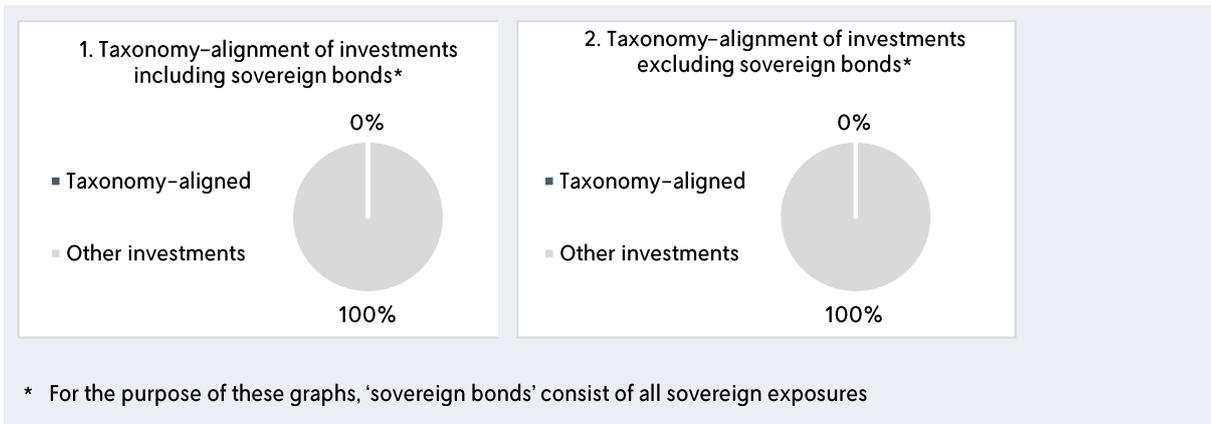
● Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?

- Yes
- In fossil gas
  - In nuclear energy
- No

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The product has not set a minimum for EU Taxonomy alignment.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



● **What is the minimum share of investments in transitional and enabling activities?**

The financial product can invest in transitional and enabling activities but has not set a minimum share.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 80 %, of which all might be EU taxonomy aligned but cannot be verified because lack of data.

**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The fund may invest in equities within water services that do not yet have verifiable ESG data from a database, e.g., a newly listed company (IPO) or an unlisted company. The fund may also hold cash and cash equivalents or money market instruments. Equities that lack accessible data from a database undergo an in-house analysis.

As social safeguards the financial product excludes companies in severe breach of UN Global Compact Principles on human rights, labour standards, environmental protection, and anti-corruption.

**Where can I find more product specific information online?**

More product-specific information can be found on the company website: [www.wip.fi](http://www.wip.fi).