



EVERGENT Investments' statement regarding not taking into consideration the negative effects of investment decisions on sustainability factors



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EVERGENT Investments' statement regarding not taking into consideration the negative effects of investment decisions on sustainability factors

This statement is elaborated in accordance with the provisions of art. 12 of (EU) Regulation no. 1288/2022 in addition to (EU) Regulation 2088/2019 which specifies the content and information presentation regarding the promotion of environmental, social and governance characteristics on the websites and periodical reports in the financial services sector.

EVERGENT Investments does not always take into account the potential negative effects of investment decisions on sustainability factors, motivated by the following considerations:

- The evaluation of sustainability risks represents a complex process that may be done based on available data referring to environmental, social and governance aspects. With the purpose of collecting gross data on sustainability, EVERGENT Investments may use the data made available by the companies in the portfolio.
- There is still a limited availability on non-uniform data and information principles of an ESG type regarding the issuers that operate on the local financial market. Therefore, although we have a formalized policy and procedures on the integration of sustainability risks in the investment decision-making process, on a short and medium term it is not possible to identify and prioritize with the utmost degree of certainty the main negative effects of investment decisions on sustainability factors and the calculation of the indicators foreseen in table 1, annex 1 of (EU) Regulation no. 1288/2022.
- The complexity and novelty of the requirements formulated in the regulations already published and in the technical standards drafts require an adequate time for the foundation and additional professional training in order to understand and apply them correctly.
- The available information regarding environmental, social and governance aspects is difficult to obtain and may present limitations, failures to update or inaccuracies. Obtaining such information offers no guarantee regarding the fairness or accuracy of risk evaluation based on it.
- The statement regarding the main negative effects of investment decisions on sustainability risks must include a lot of technical information that is difficult to quantify by most of the companies within the portfolio.

- The estimated probable effect of the sustainability risks for the portfolio managed by EVERGENT Investments is not a high one.

Concerned by the effects of its investment decisions on sustainability factors, EVERGENT Investments will consider the issues set out in the above-mentioned paragraphs and intends to analyze and decide, based on their clarification, on the negative effects of investment decisions on sustainability factors, properly notifying investors of any new concrete actions taken regarding this aspect.

EVERGENT Investments believes in the importance of sustainable investments and incorporating ESG factors into investment decision-making. Also, active interaction with the companies we invest in is another key element for managing investment risk. As efforts to integrate ESG into Romania continue to evolve, EVERGENT Investments' approach will continue to develop by collaborating with all company stakeholders, so that our approach may be transparent and tailored to their needs.

The hereby statement has been revised in May 2024 and may be accessed on the EVERGENT Investments website, namely www.evergent.ro under the section “Not taking into consideration the negative effects of investment decisions on sustainability factors.”

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