

Website Product Disclosures for DSP India Equity Fund

(a) Summary

The investment objective of the Fund is to achieve long-term capital appreciation from a portfolio that is substantially constituted of equity and equity-related securities of mid cap and small cap companies.

DSP Asset Managers Pvt. Ltd., the investment manager of the fund (the “**Investment Manager**”) promotes better environmental and social outcomes through environmental, social and governance (“**ESG**”) analysis of investee companies in its investment strategy. This includes an engagement strategy with a focus on material ESG disclosures, best practices, programmes and allocation of responsibilities. The Fund invests in companies that have Board oversight on ESG, present workforce diversity and integration of circular concepts in their operations. Furthermore, the Investment Manager supports companies that are in the initial stages of demonstrating climate risk preparedness to provide adequate disclosure on alignment with India's net zero 2070 goals specifically with reference to climate physical and transition risks.

When evaluating an investment opportunity, ESG analysis forms an integral part of the due diligence on all potential investments. This ensures that the minimum environmental and social criteria are being met based on our proprietary risk-opportunity ESG framework consisting of scored criteria and data points. Together, these constitute 45 scored criteria and 60 analytical data points. For potential investments in the financial sector, the Investment Manager has a separate framework consisting of 26 scored criteria and 38 analytical data points. Typically, the Investment Manager engages with investee companies aiming to make a positive impact on ESG issues across all investments.

The Fund complies with the requirements set out in Article 8 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (“**SFDR**”).

The Fund also considers principal adverse impacts (“**PAIs**”) on sustainability factors within the meaning of SFDR.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

(b) No sustainable investment objective

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

(c) Environmental or social characteristics of the financial product

The Fund promotes environmental and social characteristics through ESG analysis and subsequent engagement with investee companies in its investment strategy, while also ensuring that investee companies comply with general good governance principles. This is achieved by investing on the basis of the following indicators:

- Companies having a designated member of the board with responsibility for ESG oversight;
- Companies' climate disclosure adequacy on transition and physical risk;

- Workforce diversity; in particular in companies operating in the finance sector; and
- Circular operations assessed by evaluating how the company has integrated circular concepts across its operations.

The Fund invests in companies that are evaluated on the basis of an internal proprietary ESG framework (the “**ESG Framework**”) and score 60% or above in this evaluation.

The ESG Framework is a risk and opportunity-based framework with 45 scored criteria and 60 analytical data points. These data points are both qualitative and quantitative and cover ESG issues.

A significant component of the promotion of environmental and social characteristics is engagement with companies who, in the view of the Investment Manager, can improve their ESG disclosure and performance. For example, should an investee company score less than 60% in its ESG evaluation, the Investment Manager will seek to determine if such investee company can improve its score. If the Investment Manager deems that this is possible, the Investment Manager may decide to make an investment subject to an engagement and monitoring programme.

Lastly, the Investment Manager will seek out companies that are in the initial stages of demonstrating climate risk preparedness to provide adequate disclosure on alignment with India's Net Zero 2070 goals.

(d) Investment strategy

The Investment Manager uses a combination of overall market data and fundamental analysis to identify equities with superior long-term prospects. The Investment Manager predominantly utilises a bottom-up approach for constructing and managing the portfolio, investing in, mid-cap and small-cap equity securities which, in the opinion of the Investment Manager, are undervalued relative to (i) its own sector average valuation (ii) other securities within the sector and (iii) its own history on the basis of, for example, price to earnings ratio or price to book ratio and/or have potential for capital growth consistent with the investment objective of the Fund. Additional information on the investment strategy can be found in the “Investment Strategy” section in Supplement 1 of the prospectus of DSP Global Funds ICAV.

In parallel, the Investment Manager uses the ESG Framework to select and monitor investee companies. This is designed to implement the Investment Manager’s Responsible Investment Policy, which applies to equity investments at a firm-wide level. The fund promotes better environmental and social outcomes through ESG analysis, engagement and monitoring. The Investment Manager assesses the good governance practices of investee companies through use of the ESG Framework. Factors such as board oversight on ESG, low and transparent related party structures, high board integrity are all considered as part of this assessment, which is described in further detail under “**(g) Methodologies**”.

(e) Proportion of investments

The ESG criteria are applied in respect of each investee company on an ongoing basis by the Investment Manager and integrated as part of the investment process. The ESG screening and rating process will be applied to the whole investment universe, representing at least 80% of the portfolio.

The Fund may also invest in equities and equity financial indices through exchange traded futures and options. For the avoidance of doubt, any such derivatives used by the Fund will be taken into consideration in the above calculation.

The Fund may also invest in fixed income securities and money market instruments for ancillary purposes only, i.e., for liquidity and cash management. The industry screening and the rating process will not be applied to such investments.

(f) Monitoring of environmental or social characteristics

The Investment Manager has implemented a Responsible Investment Policy and ESG Framework designed to implement the Responsible Investment Policy. The ESG Framework is a risk and opportunity-based framework with 45 scored criteria and 60 analytical data points. These data points are both qualitative and quantitative and cover ESG issues.

The analysis incorporates sustainability indicators by gathering and evaluating data on stakeholder environmental/social concerns, board oversight of ESG matters (i.e., if there is a designated employee and/or member of the board of directors with responsibility for ESG matters) policies to monitor compliance with the UNGC principles, GHG emissions profile, long & short term climate targets, completeness and accuracy of investee companies' disclosures relating to climate risk (decarbonisation strategies, techno-economical plans, and timelines), forest land, biodiversity, water & wastewater, energy, circular economy, innovation, human rights, decent work, diversity, human capital management, data privacy, product quality, safety, supplier engagement, selling practices and access & affordability etc.

On governance the investment manager research is focused on but is not limited to related party transactions, board & key management personnel (KMP) remuneration, board independence, promoters pledging, audit quality, controversies and credit rating parameters. Each criterion has a three-point scoring band (with scores from 0-2) with guidelines specific to the criterion in question. The guidelines for scoring have been structured to highlight the impact of strong policies on and the management of material ESG topics by the company. A scoring of 0 would be given to companies that provide no disclosures, and a scoring of 2 to those with specific policies in place in line with the relevant indicator.

The monitoring process consists of several steps, as outlined under “**(g) Methodologies**”. As the data used has been collected manually, all data points have been reviewed by the Investment Manager at the analysis stage and compilation stages.

(g) Methodologies

The Investment Manager measures the attainment of the environmental and social (“**E/S**”) characteristics promoted by the Fund by using the methodology set out in the ESG Framework.

The methodology consists of the following steps:

1. A company is analysed on ESG criteria by the analyst and has a score on its annual performance. Examples of such criteria are stakeholder environmental or social concerns, performance on water & wastewater, energy, climate risk, circular economy, board oversight of ESG matters (i.e., if there is a designated employee and/or member of the board of directors with responsibility for ESG matters), completeness and accuracy of investee companies' disclosures relating to climate risk (e.g. decarbonisation strategies, techno-economical plans, and timelines), innovation, safety, decent work, diversity, equity & inclusion (DEI), product quality, supply chain engagement, and access & affordability, related party transactions, board & key management personnel (KMP) remuneration, board independence, promoters pledging, audit quality and credit rating parameters as outline above
2. Any areas of concern are highlighted and researched in detail with the help of the sector analyst.

3. The analyst creates an engagement template with the rationale on engagement with the help of the PM/sector analyst on material areas of concern/ clarifications.
4. The sectoral analyst or the portfolio manager sets up a meeting and/or reaches out with a data request with areas of concerns and/or clarifications required to be addressed.
5. The Investment Manager records outcomes and, based on the response of the company, the Investment Manager plans the next steps of the engagement exercise, which may include the setting-up of milestone-based engagement outcomes/guardrails. The Investment Manager also suggests whether the company needs to be monitored and, if so, establishes the frequency of monitoring.

(h) Data sources and processing

Data sources

In order to assess investee companies, the Investment Manager obtains information from the following sources:

1. Corporate documents: annual reports (including Business Responsibility & Sustainability Reports), annual reports, environmental and social reports, securities filings, investor presentations, corporate websites and Carbon Disclosure Project (CDP) responses.
2. News media: major news publications globally, including local-language sources across a range of markets.
3. Government and academic data: National Green Tribunal (NGT) orders, State and Central Pollution Control Board orders and fines, Central Ground Water Board (CGWB), Aqueduct Water Risk Atlas
4. Supplementary research: ESG data provider research, company reports, and industry reports, broker reports, third party provider reports on adverse events.

Measures taken to ensure data quality

As part of the Investment Manager's methodology, a company is analysed on ESG criteria by the analyst against the ESG Framework. The ESG Framework includes one or multiple data points against each of the ESG criteria. These data points are maintained in an ESG database. Information in the ESG database is collected from primary or secondary data sources such as the company annual reports, sustainability reports, ESG reports, Investor presentations, etc. Some data points have been derived from data reported by the company. All data points have been reviewed at the analysis stage and during the compilation of the database. Furthermore, should any data deficiencies be identified as part of the analysis, the Investment Manager will engage with the investee company to address such deficiencies.

How data are processed

The data collected is processed using the methodology outlined in steps 1 – 5 in the section **“(g) Methodologies”**.

The proportion of data that are estimated

In evaluating an investee company based on ESG criteria, the Investment Manager may use data sources provided by external extra-financial research providers or from data sources mentioned in section (h). The proportion of data that are estimated is low and some data points have been derived based on publicly available information.

(i) Limitations to methodologies and data

Given the evolving nature of non-financial data disclosure, these data sources may for the time be incomplete, inaccurate, unavailable or need updating. The ESG information may be provided by third-party sources and is based on historical analysis. The subjective nature of non-financial ESG criteria means wide varieties of outcomes are possible. The analysis is also dependent on companies disclosing the relevant data and the data is, as such, not audited. These limitations are mitigated through the use of a variety of data sources, where possible, and the Investment Manager's in-house research, including engagement with investee companies. In addition, the outcomes of the engagement will depend on the responsiveness and depth of participation of investee companies.

(j) Due diligence

The Investment Manager has implemented an internal organisational process to ensure a high degree of diligence regarding the securities invested in by the Fund. This includes the assessment of each security from a valuation and risk management perspective. External due diligence is also in place and carried out by the Fund's depositary.

The ESG due diligence is described under "**(g) Methodologies**" and "**(h) Data sources and processing**".

(k) Engagement policies

The Investment Manager has implemented a Proxy Voting and Engagement Policy pursuant to the Shareholder Rights Directive.

The analysts and portfolio managers actively engage with companies' management (CXOs), board members and investor relations teams as part of the Investment Manager's stewardship activities, and ESG integration process. The Investment Manager also actively votes on company resolutions and have engaged a proxy voting firm.

If the investee company has reached the acceptable threshold in terms of its ESG performance, no further action is deemed necessary. The investee company will continue to be assessed on an ongoing basis. If not, the Investment Manager engages with investee companies both on an initial and ongoing basis.

The motivations behind engagement are two-fold: to mitigate risk; and to improve a companies' ESG performance.

The Investment Manager uses an engagement template with details on the company, its sector, type of engagement (i.e., virtual or in-person meetings), and, most importantly, the engagement rationale. The engagement outcomes, milestones/guardrails, next steps and frequency of monitoring are also part of the template.

Additionally, the Investment Manager understands the advantage of multi-year engagements and follows the approach of having an open dialogue on material ESG criteria, asking for clarifications and/or additional information or supporting the investee company in

understanding the issue at hand, suggesting best practices with targeted and time-sensitive outcomes, and in severe cases (such as sustainability-related controversies), setting up guardrails and monitoring outcomes over an extended period of time, as determined by the Investment Manager depending on the severity of the controversy in question.

For example, we have engaged with investee companies on high product recalls in the pharmaceutical sector, high employee turnover in the information technology sector, water stress exposure in the consumer goods sector, and as a sector agnostic approach we seek information on investee companies that are generating differential ESG capabilities such as if the product/services have designed products or services to deliver specific social benefits or incorporate environmental considerations.

(I) Designated reference benchmark

The Fund does not use any reference benchmark for attaining E/S characteristics.